

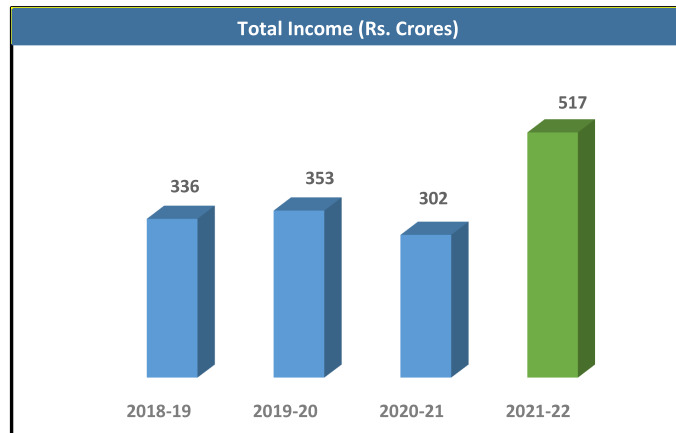
# ANNUAL REPORT

## 2021-22

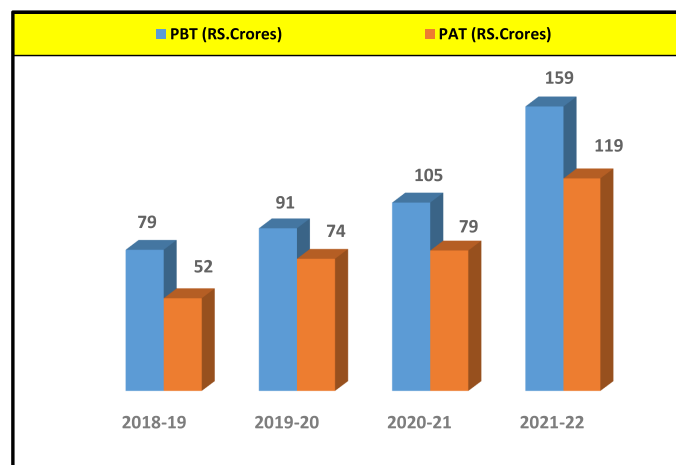


**Central U.P. Gas Limited**

# FINANCIAL HIGHLIGHTS

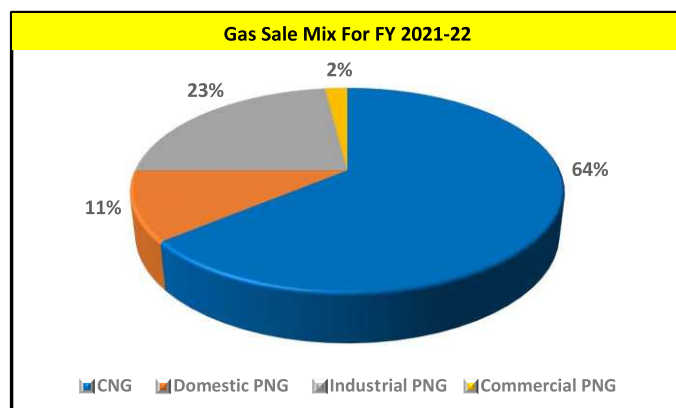


**Total Income**  
**Rs. 517 Crore**

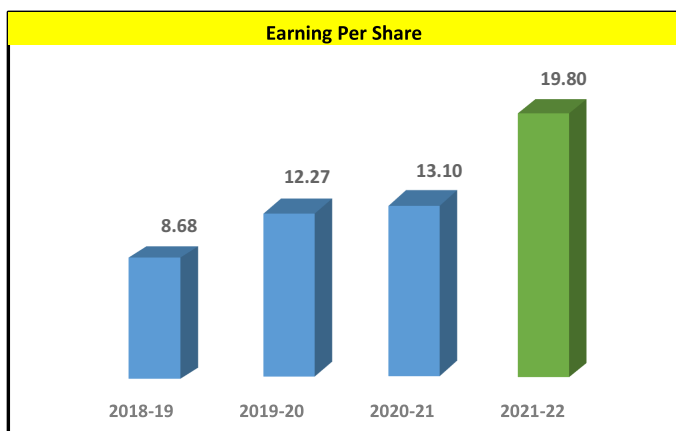


**PBT**  
**Rs. 159 Crore**

**PAT**  
**Rs. 119 Crore**



**Gas Sales Volume**  
**0.326 MMSCMD**



**EPS**  
**Rs. 19.80 Per Share**

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**Bankers :** State Bank of India, Union bank of India, HDFC Bank, AXIS Bank, ICICI Bank & Yes Bank

**Statutory Auditors :** M/s Mittal Gupta & Co., Chartered Accountants

**Cost Auditors :** M/s R. M. Bansal & Co.

**Secretarial Auditors :** M/s Garg & Associates, Company Secretaries

**RTA :** KFin Technologies Limited, Hyderabad, Talengana, India-500032

**Regd. Off. :** Central UP Gas Limited, 7th Floor, UPSIDC Complex,  
A1/4 Lakhanpur, Kanpur-208024  
CIN U40200UP2005PLC029538

# BOARD OF DIRECTORS



**Shri M.V. Iyer**  
Chairman  
w.e.f. 14.09.2021



**Shri Rathish Kumar Das**  
Managing Director  
w.e.f. 02.05.2022



**Shri Sunil Kumar Bains**  
Director (Commercial)  
w.e.f. 04.02.2021



**Shri Akshay Wadhwa**  
Director  
w.e.f. 09.05.2022



**Shri Sunil Kumar Agrawal**  
Independent Director  
w.e.f. 18.08.2022



**Shri P. K. Pandey**  
Director  
w.e.f. 23.10.2018



**Shri Ajay Tyagi**  
Director  
w.e.f. 29.12.2021



**Shri Rajeev Kumar**  
Director  
w.e.f. 18.08.2022

# BOARD OF DIRECTORS



**Shri Sukhmal Kumar Jain**

Chairman  
upto 14.09.2021  
Director  
upto 04.10.2021



**Shri Hirdesh Kumar**

Managing Director  
upto 02.05.2022



**Shri R. C. Gupta**

Independent Director  
upto 01.07.2022



**Shri Ashim Batra**

Director  
upto 30.09.2021



**Shri Manjeet Singh**

Director  
upto 01.07.2022



**Shri Praveer Agrawal**

Director  
upto 14.09.2021



**Shri Rajeev Dutta**

Director  
upto 13.04.2022

# NOTICE TO THE MEMBERS

## NOTICE TO THE MEMBERS

Notice is hereby given that the 17th Annual General Meeting (AGM) of the members of Central U.P. Gas Limited will be held on Monday, the 19th day of September 2022, at 11:00 A.M. at the registered office of the Company at 7th Floor, UPSIDC Complex, A 1/4 Lakhanpur, Kanpur - 208024, Uttar Pradesh. This meeting will be held in Hybrid mode/ Video Conferencing / Other Audio-Visual means to transact the following business (es):

### A. ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March 2022 and the Report of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Audited Financial Statement of the Company for the financial year ended 31st March 2022 and the Report of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon be and are hereby received, considered, and adopted."

- 2) To declare final dividend @ 30 % (Rs.3.00 per Equity Share) for the Financial Year ended 31st March 2022.

"RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend at the rate of Rs. 3.00/- per equity share of Rs.10/- each for the Financial Year 2021-22."

- 3) To appoint a Director in place of Shri Praveen Kumar Pandey (DIN: 08255446) who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Praveen Kumar Pandey (DIN: 08255446), who offered himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

- 4) To authorize the Board of Directors of the Company to fix remuneration of the Statutory Auditors of the Company in terms of provisions of Section 142 of the Companies Act, 2013 and other applicable provisions, if any, 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 Auditors of the Company appointed by Comptroller & Auditor General of India for the Financial Year 2022-23."

### B. SPECIAL BUSINESS:

- 5) Ratification of remuneration payable to the cost auditors for Financial Year 2022-23 and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148, other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to Cost Auditor(s) appointed by the Board of Directors of the Company to conduct the audit of



cost records of the Company for the Financial Year 2022-23, amounting to Rs.60,000/- plus applicable taxes be and is hereby ratified and confirmed."

- 6) Appointment of Shri Rathish Kumar Das (DIN: 09586463), as a Director and also as a Managing Director and to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made there under, to the Companies Act, 2013, Shri Rathish Kumar Das (DIN: 09586463), who was appointed as an Additional Director and Managing Director both with effect from 02nd May 2022 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from the member pursuant to the provisions of Section 160 of the Companies Act, 2013, be and is hereby appointed as Managing Director of the Company not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provision of Section 196 and 197, and other applicable provisions of the Companies Act, 2013 and Article 128 (iii) & 147 of the Articles of Association of the Company the approval of the Company be and is hereby accorded for the appointment of Shri Rathish Kumar Das as Managing Director of the Company with effect from 02nd May 2022 on the term and conditions of appointment including remuneration forwarded by GAIL (India) Limited as per the terms of his deputation, which will be reimbursed by the Company to GAIL subject of condition that the total remuneration payable to him shall not exceed the overall ceiling limit as prescribed under Schedule V to the Companies Act, 2013."

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Managing Director of the Company has inadequate profits the remuneration by way of salary, perquisites, incentives and allowances as per the terms of deputation shall be reimbursed as the minimum remuneration."

- 7) Appointment of Shri M.V.Iyer (DIN: 08198178) as a director and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri M.V.Iyer (DIN: 08198178) who was appointed as an Additional Director by the Board of Directors with effect from 14th September, 2021 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation."

- 8) Appointment of Shri Ajai Tyagi (DIN:09451836) as a Director and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Ajai Tyagi (DIN: 09451836) who was appointed as an Additional Director by the Board of Directors with effect from 29th December, 2021 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation."

- 9) Appointment of Shri Akshay Wadhwa (DIN: 09599904) as a Director and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Akshay Wadhwa (DIN: 09599904) who was appointed as an Additional Director by the Board of Directors with effect from 09th May, 2022 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation."

- 10) Appointment of Shri Rajeev Kumar (DIN:09698796) as a Director and to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Shri Rajeev Kumar (DIN: 09698796) who was appointed as an Additional Director by the Board of Directors with effect from 18th August, 2022 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provision of Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation."

11. Re-appointment of Shri Sunil Kumar Agrawal (DIN: 03029952) as an Independent Director and to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014 and other applicable provisions, if any, Shri Sunil Kumar Agrawal (DIN: 03029952) be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a period of three years upto 17/08/2025."

**Place: New Delhi**  
**Date: 29.08.2022**

**By Order of the Board of Directors**  
**Sd/-**  
**(Rathish Kumar Das)**  
**Managing Director**  
**DIN: 09586463**

**Registered Office:**  
**7th floor, UPSIDC Complex**  
**A 1/4 Lakhanpur, Kanpur-208 024**  
**CIN: U40200UP2005PLC029538,**  
**Website: www.cugl.co.in**  
**Email: secretarial@cugl.co.in**  
**Tel No.: 0512-2246000**  
**Fax No.: 0512-2582453**



**NOTES:**

1. In view of the COVID-19 pandemic outbreak, the Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed with the requirement of the personal presence of the members at the meeting. Accordingly, the 17th Annual General Meeting (AGM) of the members will be held through VC/OAVM as allowed by the Ministry of Corporate Affairs through various circulars viz Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020, clarification circular no. 02/2021 dated January 13, 2021, prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. Further, as per MCA Circular No. 02/2022 dated May 05, 2022, Companies are allowed to hold Annual General Meeting (AGM) through VC/OAVM, without the physical presence of Shareholders (or "Members") at a common venue till December 31, 2022. However, members can attend and participate in the AGM through VC/OAVM/ Hybrid mode. The detailed procedure for participation in the meeting through VC/OAVM is available at the Company's website i.e. [www.cugl.co.in](http://www.cugl.co.in).
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
3. Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the circulars issued by Ministry of Corporate Affairs (MCA), the Notice of AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Please take note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at i.e. [www.cugl.co.in](http://www.cugl.co.in).
6. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Businesses to be transacted at the meeting is annexed hereto.
7. In case of any concern related to the meeting, the members may contact Shri Asheesh Agarwal, CFO and Ms. Prachi Tiwari, Asst. Manager, Finance of the Company at the following address:  
Registered Office: 7th floor, UPSIDC Complex, A 1/4 Lakhanpur, Kanpur-208 024
8. Route map of the Venue for AGM:



## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### Item no 5:

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. R M Bansal & Co., Cost Accountants, Kanpur as the Cost Auditors of the Company for the Financial Year 2022–23.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules 2014, ratification for the remuneration payable to the Cost Auditors for the Financial Year 2022–23 by way of Ordinary Resolution is being sought from the members as set out at item no. 5 of the notice.

The Board accordingly recommends the passing of the proposed Ordinary Resolution for approval by the Members. None of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution

### Item no 6:

Shri R. K. Das (DIN: 09586463), was nominated by GAIL (India) Limited as a Managing Director of the Company.

Shri R. K. Das has joined as Managing Director on 02nd May 2022 in the Board of Central U.P Gas Limited (CUGL).

Shri R K Das is a Mechanical Engineer with B. Tech (Mech) from IIT-Kharagpur. He joined GAIL (India) Limited in the year 1988 and over the period of 3 decades working in a diversified spectrum of jobs like Construction, Commissioning, and O&M of Gas Pipelines / Compressor stations / Terminals, ERP implementation, Project Management, Marketing of Gas / Polymer / LHC, Training activities. This cross-functional experience has enabled him to gain deep insight into all aspects of the Gas business.

He acquired Management & Leadership knowledge through various programs from ISB-Hyderabad, IIM-Kolkata, IIM-Lucknow, and MDI-Gurgaon. He served in various leadership positions by heading O&M units at Chhainsa (Haryana), Rajahmundry (Andhra Pradesh), Vizag (Andhra Pradesh) as Officer-in-Charge and leading ERP team at Noida, Construction team at KG Basin, Training team at Noida. Prior to joining as MD, CUGL, he was heading Marketing office at Lucknow and looked after Gas, Polymer & LHC business in Uttar Pradesh, Uttarakhand & Bihar.

Your Directors recommend the resolution for approval by members.

None of the Directors and Key Managerial personnel or relatives of them except R. K. Das himself is concerned or interested in the resolution.

### Item No.7:

Shri M.V.Iyer (DIN: 08198178) was nominated by GAIL (India) Limited as a Director and Chairman of the Company.

Shri M.V.Iyer, has joined as Additional director and Chairman on 14th September 2021 in the Board of Central U.P. Gas Limited (CUGL).

Shri M. V Iyer, an Electrical Engineering Graduate, has more than 34 years of experience in the Midstream sector of Oil & Gas Industry. He has worked in GAIL (India) Ltd. across various verticals viz. Projects, O&M, Pipeline Integrity, and Management which has allowed him to gain insight and knowledge across multiple business units and functional areas.

Presently as Director (Business Development) and Marketing, he is responsible for building GAIL's Business Portfolio in India and abroad, Merger and Acquisition, Petrochemical O&M and Expansion, Exploration & Production, Research & Development, Start-Up, Health Safety & Environment management, Quality Management and Project Development.

Prior to this Shri M.V Iyer has worked as Executive Director (Projects) and was responsible for the execution of projects. He has been a part of implementation of landmark projects for GAIL.

He has also been associated with several non-core business areas like commissioning of the Dabhol LNG Regasification Terminal and implementation of 100 MW Wind power project & 5 MW Solar power projects and current thrust areas of City Gas Distribution (CGD) projects within a short span of one year.

He has also served as a Director on the Board of Indradhanush Gas Grid Limited (IGGL), a company responsible for implementation of 1,656-kilometre-long natural gas pipeline spreading across 8 North Eastern States of India.

Shri M.V Iyer is currently in the Board of China Gas Holdings Ltd. as GAIL's nominee Director, Chairperson in Konkan LNG Limited & GAIL Global Singapore Pte. Limited and Director in ONGC Tripura Power Company Limited.

Your directors recommend the resolution for approval by members.

None of the Directors and Key Managerial personnel or relatives of them except Shri M.V.Iyer himself is concerned or interested in the resolution.

#### **Item No.8:**

Shri Ajai Tyagi (DIN: 09451836) was nominated by Indraprastha Gas Limited as a Director of the Company. The Board appointed Shri Ajai Tyagi, as an Additional Director w.e.f 29.12.2021

Shri Ajai Tyagi is presently working as Senior Vice President in Indraprastha Gas Limited (IGL). He has a rich and varied experience of over 31 years in Operations, Quality, Integrity, Project Management and Customer Acquisition in Natural Gas Industry.

He is a qualified Electrical Engineer from NIT Kurukshetra with an acumen towards functioning of business, planning and strategy. He headed the expansion of CGD Projects (CNG/PNG/LNG) across 4 Indian States in 17 districts in North India.

Shri Ajay Tyagi has an experience of over 18 years in heading various departments in IGL and leading technological innovations aimed at integration of processes for optimization and Automation of various Project Processes.

Additionally, Shri Ajay Tyagi has an experience of over 13 years in handling Petrochemical plants where his focus was in green and sustainable approach for production of petrochemical products which was complemented through effective deployment of safe, eco-friendly, efficient processes and state of the art technologies and systems.

Your Directors recommend the resolution for approval by members.

None of the Directors and Key Managerial personnel or relatives of them except Shri Ajai Tyagi himself is concerned or interested in the resolution.

#### **Item No.9:**

Shri Akshay Wadhwa (DIN: 09599904) was nominated by Bharat Petroleum Corporation Limited (BPCL). The Board appointed Shri Akshay Wadhwa, as an Additional Director w.e.f 09.05.2022

Shri Akshay Wadhwa is presently working as Regional Manger Retail, (West) in BPCL. He is an Industrial & Production Engineer and Masters in Business Administration from NMIMS has experience of over 28 years in varied fields. Starting his professional career from private sector, he joined BPCL as officer trainee in 1996.

Over last 26 years in BPCL, he has handled diverse roles across starting his career in operations and then Engineering, handing automation of lubes plant well ahead of its time, when technology was just being talked about. Later he moved to sales, handling both B2C and B2B marketing of lubricants, he was instrumental in BPCL's presence in the Hi-street market in the Lubricants segment, launch of Orchard Spray Oils and transformer oils under Brand MAK.

His vast and rich exposure in engineering, sales, marketing, and strategy function took him to the role of Executive Assistant to C&MD in 2016, where he was responsible for the evaluation of business cases/investment proposals, Business Planning, JV / Subsidiary management, Smooth participation in parliamentary committee meetings, Ministry meetings and overall Operations of C&MD office.

Key assignments handled during his stint as EA are completing the case for getting Maharatna Status for BPCL and getting approval for BPCL's wholly owned subsidiary BGRL.

Your Directors recommend the resolution for approval by members.

None of the Directors and Key Managerial personnel or relatives of them except Shri Akshay Wadhwa himself is concerned or interested in the resolution.

**Item No.10:**

Shri Rajeev Kumar (DIN: 09698796) was nominated by Indraprastha Gas Limited as a Director of the Company. The Board appointed Shri Rajeev Kumar, as an Additional Director w.e.f 18.08.2022.

He is holding the position of Head (O&M and Marketing) in Indraprastha Gas Limited, he was the state head LPG Head, WB & NE of BPCL comprising nine states.

He is a graduate in Civil Engineering from NIE, Mysore, and postgraduate in management from S.P. Jain Institute of Management & Research, Mumbai, Shree Rajeev Kumar is a senior leader in hydrocarbon space having a rich experience of over 26 years across multiple regions in the country and abroad. He has vast experience in MS HSD Lubes & LPG across the entire value chain including Marketing, Operations, Maintenance, Safety, Training, Strategy, Network Expansion, Distribution, Channel Management, Logistics, stake holder management and held leadership position across geography during his tenure in Bharat Petroleum Corporation Limited (BPCL).

Your Directors recommend the resolution for approval by members.

None of the Directors and Key Managerial personnel or relatives of them except Shri Rajeev Kumar himself is concerned or interested in the resolution.

**Item No.11:**

Shri Sunil Kumar Agrawal (DIN: 03029952) was appointed as an Independent Director of the Company with effect from 02/07/2021 for one year term. The Board of Directors further re-appointed Shri Sunil Kumar Agrawal, as an Independent Director of Company with effect from 18/08/2022 for a term of three year, i.e., upto 17/08/2025.

He is a commerce graduate and MBA in finance from Banaras Hindu University. Joined Bharat Petroleum in 1983 and worked in Refinery Management and Project accounts till 1992. In 1992, he was transferred to Marketing and posted as Manager Finance in the Northern Region. Subsequently, he was posted at Numaligarh from 1997 to 1998. Subsequently, he was posted as Head of Regional Retail Finance. After heading Retail North, he worked as head of Finance & Commercial in the Lubricants Business Unit. Subsequently, he headed Aviation Finance and E&P Finance. During his tenure in Aviation, he worked on the Board of Delhi Aviation Fuel facility private limited which is a JV of IOCL/BPCL and Delhi Airport Operator. He had a three year stint with PNGRB where he was coordinating the activities of the commercial and monitoring division.

Post his transfer from PNGRB in 2017, he headed Business Process Excellence Centre (Centralized Payment Factory for BPCL and AR management center). Subsequently, he headed the Treasury function of BPCL at Corporate level and thereafter retired as Head of Internal Audit in BPCL in 2021.

Your Directors recommend the resolution for approval by members.

None of the Directors and Key Managerial Personnel or relatives of them except Shri Sunil Kumar Agrawal himself is concerned or interested in the resolution.

**By Order of the Board of Directors**  
**Sd/-**  
**(Rathish Kumar Das)**  
**Managing Director**  
**DIN: 09586463**

**Place: New Delhi**  
**Date: 29.08.2022**

**Registered Office:**  
**7th floor, UPSIDC Complex**  
**A 1/4 Lakhanpur, Kanpur-208 024**  
**CIN: U40200UP2005PLC029538,**  
**Website: www.cugl.co.in**  
**Email: secretarial@cugl.co.in**  
**Tel No.: 0512-2246000**  
**Fax No.: 0512-2582453**

# DIRECTORS' REPORT

To,

**The Members,**

Your Directors take pleasure in presenting the Seventeenth Annual Report along with the Audited Accounts of the Company for the year ended 31st March 2022 together with the Auditors' Report and Comments on the accounts by the Comptroller and Auditor General of India (C&AG).

## 1. FINANCIAL REVIEW

Your Company has achieved excellent financial performance during the FY 2021-22.

The summarized financial results for the year ended March 31, 2022, are as below:

(₹ in Lakhs)

Particulars	2021-2022	2020-2021
Revenue from Operations	50,958	29,479
Other Income	787	704
<b>Total Income</b>	<b>51,745</b>	<b>30,183</b>
Cost of Sales (excluding finance cost and depreciation)	33,427	17,653
<b>Gross Margin</b>	<b>18,318</b>	<b>12,530</b>
Finance Cost	37	39
Depreciation	2,385	1,957
<b>Profit Before Tax (PBT)</b>	<b>15,896</b>	<b>10,534</b>
Provision for Tax	4,013	2,672
<b>Profit After Tax (PAT)</b>	<b>11,883</b>	<b>7,862</b>
Other Comprehensive Income for the Period, Net of Tax	-4	15
<b>Total Comprehensive Income for the Period</b>	<b>11,879</b>	<b>7,877</b>
Profit/(loss) brought forward from previous year	36,364	29,567
Profit/ (loss) available for appropriation	48,243	37,444
Dividend Paid (Including Interim Dividend)	1,680	1,080
Profit carried forward	46,563	36,364
<b>Earnings Per Share</b>	<b>19.80</b>	<b>13.10</b>
(Face value of Rs. 10/- each)		

## 2. APPROPRIATIONS

### DIVIDEND

During the year, your company has paid interim dividend of 10% i.e., Rs.1.00 per equity share of the face value of Rs.10.00 each for the financial year 2021-22.

Further, your directors are pleased to recommend a final dividend of 30% i.e. Rs.3.00 per equity share of

the face value of Rs.10.00 each for the financial year 2021-22, subject to the approval of the shareholders in the ensuing Annual General Meeting.

### 3. DEPOSITS

We have not accepted any Deposits within the meaning and in excess of limits prescribed under the Companies Act, 2013 read with the Companies Acceptance of Deposits Rules, 2014. As such, no amount of principal or interest payment is outstanding as on the Balance Sheet date.

### 4. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

### 5. COMPANY PERFORMANCE

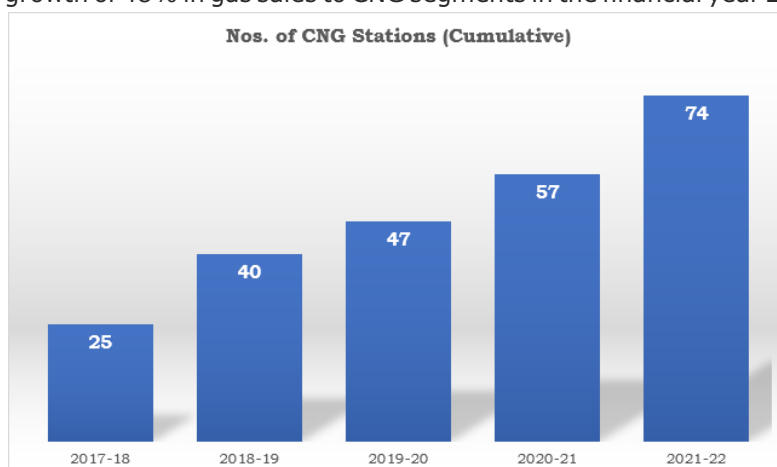
During the year, the Company has achieved 44% growth in sales volumes as under:

(Figures in Lakhs SCM)

Sr. No.	Segment	FY 2021-22	FY 2020-21	Growth
1	CNG	764.55	517.62	48%
2	PNG- Domestic	131.06	97.22	35%
3	PNG- Industrial	271.17	196.47	38%
4	PNG- Commercial	24.40	17.25	41%
	Total Sales Volumes	<b>1191.18</b>	<b>828.56</b>	<b>44%</b>

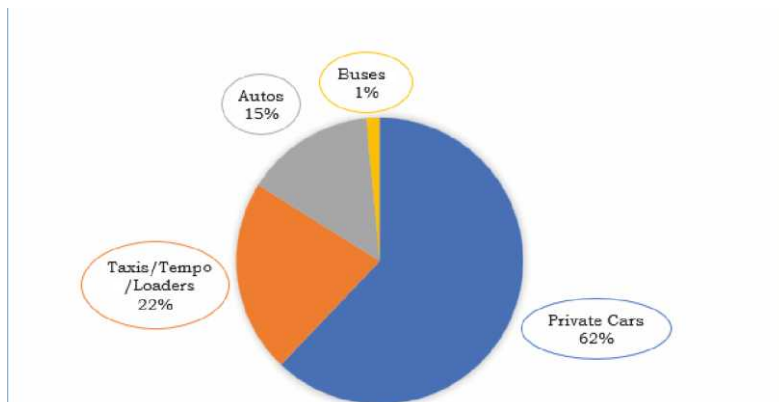
#### a. Compressed Natural Gas Business (CNG)

During the year 2021-22, CNG business has performed very well inspite of lot of challenges because of COVID-19 pandemic and lockdowns. Your Company further augmented its CNG distribution infrastructure by enhancing capacity of existing stations and adding 19 new CNG station taking the total number of CNG Stations to 74 at the end of the Financial Year. This addition of 19 CNG stations in a single year is highest since the inception of the company. Two Daughter Booster CNG stations falling in the GA of other CGD company have been handed over. The cumulative compression capacity has increased to 9,63,375 Kg/day during the year 2021-22 from previous year's cumulative compression capacity of 8,26,060 Kg/day (17% increase). Also, in spite of COVID-19 pandemic, your company maintained a growth of 48% in gas sales to CNG segments in the financial year 2021-22



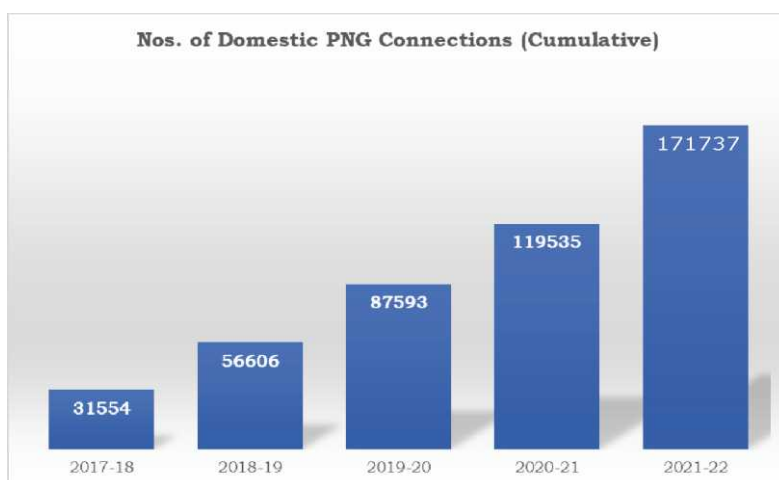
The estimated number of vehicles running on CNG in Kanpur, Bareilly and Jhansi as on March 31, 2022 was around 79,850 vehicles.





#### **b. Piped Natural Gas (PNG) – Domestic Connections:**

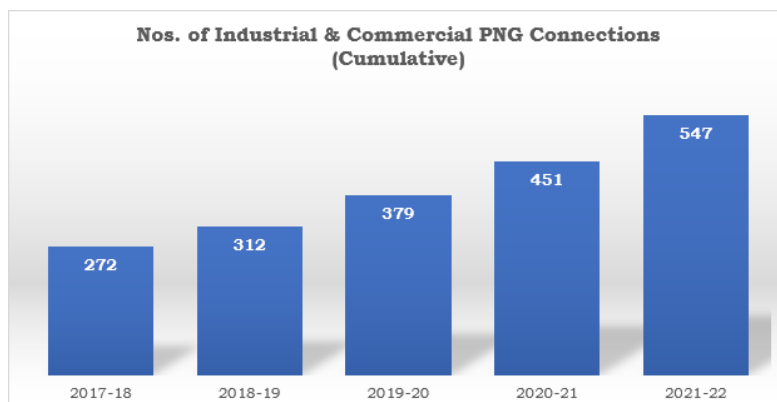
During the year, your Company provided 52,202 new Domestic PNG connections and the total number of connections scaled up to 1,71,737 as on 31st March 2022. The Domestic PNG connection added by your company during the year 2021-22 is the highest connections done by the company in a year since its inception. Also, the connections added during the year 2021-22 account for 30% of the total Domestic PNG connections as on 31st March 2022. Also, your company maintained a growth of 35% in gas sales to Domestic PNG segments in the financial year 2021-22.



#### **c. PNG – Industrial & Commercial Connection:**

Your Company has maintained its focus on the Industrial & Commercial segments as one of the potential growth areas. In spite of COVID-19 pandemic and stiff competition from alternate fuels prices, like LPG and LSHS, your company maintained a growth of 38% in gas sales to Commercial & Industrial segments in the financial year 2021-22. With concentrated efforts, total number of commercial customers increased from 353 as on 31st March 2021 to 430 as on 31st March 2022 and the industrial customers from 98 to 117 during the same period.





## 6. PROGRESS ON THE PROJECTS UNDERTAKEN

Your Company has increased its pipeline network (Steel & MDPE) to connect more areas for increasing the supplies across all business areas.

For Financial Year	Steel in KM	MDPE in KM
FY 21-22	14.03	528.68
Cumulative till 31 March 2022	167.52	2773.06

Your Company is currently servicing CNG vehicles through 33 Daughter Booster Stations, 36 Online Stations and 5 Mother Stations in our authorized / permitted Geographical Areas

## 7. FUTURE OUTLOOK

The principal business of your Company is distribution of natural gas in form of PNG & CNG, which is a convenient and clean fuel and helps to reduce pollution levels.

Your Company plans to make a significant investment in CGD infrastructure to expand its existing steel & PE pipeline network by an additional 100 Km steel and 1500 Km MDPE over the next 5 years.

CUGL is intended to expand its CNG customer base by setting up 28 more CNG Stations. Thus number of total CNG stations is expected to reach 102 by the end of FY 2022-23. Introduction of newer CNG variant models by different vehicle manufacturers & conversion of petrol driven private vehicles into CNG mode due to the price differential of CNG versus alternate liquid fuel will continue to add to CNG sales.

Further, your company is planning to implement pre-paid metering for PNG domestic connections.

The Company has innovative plans to expand its PNG customer base as a part of mission of expanding PNG launched by the Ministry of Petroleum & Natural Gas, Government of India.

## 8. INFORMATION TECHNOLOGY

CUGL is committed to build and maintain a customer friendly approach in its operation and systems. Company has taken several IT initiatives to simplify process and to ensure better customer service experience and thus bring greater efficiency by way of following:

- Online PNG registration, online payment mode, smart Meters to automatically record gas consumption.
- Dedicated Customer Relationship (CRM) desk at CNG Stations/Office to ease customer approach. Company also ensures after sales services and well equipped with 24 X 7 PNG control room centers.
- On spot billing to the DPNG customers.
- 100% digitalization of payment to the vendors and service providers.
- Company is in the process to implement state of the art ERP solution of SAP S/4 HANA to optimize its

business processes and operational efficiency. All the departments are very proactive in leveraging SAP and suggesting new ways to provide up-to-date, real-time detailed data for analysis. In this processes, HR Module is already implemented.

## **9. HUMAN RESOURCES**

Your Company has been continuously working to improve human resources skills, competencies, and capabilities in CUGL, which is essential to achieve desired results in line with our strategic business ambitions. During the year the focus of your Company was to ensure that young talent is nurtured and mentored consistently. Reward and recognitions are commensurate with performances and that employees have the opportunity to develop and grow.

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts, it is ensuring that employees are aligned on common objective.

The Human Resource (HR) department at CUGL is driven by the mission:

- To build the right culture and capabilities to enable us to delight our customers
- To make CUGL the best place to work for passionate innovative people who want to make a difference

Your Company believes in maintaining employee's work-life balance and ensures timely interventions that help build a long-lasting and fruitful career. Also, we believe in healthy employee relations and bonding with family members. In pursuance with it, CUGL has organized couple of family get-togethers, Women's Day celebration, Sports tournament, and Annual Day celebration with family members.

Currently, one of the key challenge which CUGL is facing is the retention of experienced manpower. The platform available in the market has created numerous opportunities creating tough competition in retaining/ sourcing right candidates. While attrition is a reality in the current scenario, CUGL is focusing on improving HR Policies and matching compensation benefits as per the market standards.

## **10. HEALTH, SAFETY AND ENVIRONMENT (HSE)**

Your Company is in the business of supplying Piped and Compressed Natural Gas that is environment friendly and safe. To facilitate this, your Company lay, build, and operates pipelines in the city of Kanpur, Unnao, Bareilly, Jhansi and its adjoining areas. Whilst doing this, your Company adheres to high standards of Health, Safety & Environment, and as the Company believes that 'Outstanding Business Performance requires Outstanding HSE Performance'. Your Company complies with all legal and statutory requirements applicable to its operations.

During the year 2021-22, your Company successfully conducted 2nd surveillance audit for the revised Integrity Management Systems of ISO 45001: 2018 for Occupational Health & Safety Management System, ISO 14001:2015 for Environment Management System and ISO 9001:2015 for Quality Management System and the same will be audited regularly at par with international requirements.

On 9th Feb. 2022, your company was accredited to ERDMP (Emergency Response and Disaster Management Plan)- Codes of Practices : 2010 by PNGRB authorised Third Party Inspecting Agency (M/s Root Thinkers Pvt. Ltd.) for next 5 years up to 08.02.2027 and the same will be reviewed regularly at par with regulatory requirements.

Your Company is committed to the Health and Safety of all its employees, the employees of our contractors and other stakeholders who may be affected by the Company's operations. Your Company considers its contractors as business partners and expects them to adhere to the Company's HSE standards. Regular Training and assistance are provided to the business partners as and when required.

As per the regulatory requirements, your company conducts Off-Site and On-Site Mock drills in presence of Mutual Aiders like GAIL, IOCL, BPCL, HPCL, Reliance, KFCL, Torrent Gas, IGL, UP Fire Services, UP Police, Disaster Management Team, other administrative authorities.

Your Company also expects all of its employees and contractors to report Near Miss, Hazards and

Incidents which are then investigated, and lessons learnt are shared with all concerned. Your Company also takes cognizance from other Oil & Gas companies including CGD industries across the world.

In line with Company's HSE policy, site inspections by concerned departments, internal audit / Workplace inspections, regular External Safety Audits / PNGRB's T4S Audits and other statutory compliances are carried out to ensure safety in all respects of CUGL's operations.

Regular HSE & Fire Safety training is imparted to employees, contract staff and consumers of CNG and PNG. Frequently safety awareness training is provided at site. During the year 10,444 Man Hours training was provided on various HSE aspects. Apart from that, more than 50 "Nukkad Naatak"/ "Dial before Dig" campaigns were imparted throughout the year to educate the third parties including all digging parties as well as local public regarding the PNG line, its severe damages and impact due to High pressure Gas pipeline damages. Local shops near charged PNG Lines were also sensitized about gas pipelines and its impact due to line damages, so that any digging information to CUGL can be shared by them on as and when required.

Every year your Company organises National Safety Week, Fire Service Week Campaigns wherein the employees involved in awareness related to CNG / PNG and what kind of benefits people receiving by it's usages. Fire & Safety Awareness campaign were conducted at CNG Stations and PNG Sites during these campaigns.

The Environment is both a brand image as well as a core area of focus for your Company. In addition to the processes and procedures, your Company has in place, to meet the requirements of ISO 14001:2015 accreditation, every year your Company celebrates World Environment Day wherein the employees rededicate themselves to protect the environment and promote the benefits of Natural Gas to improve the environment through public awareness campaigns.



**Safety Fire Training with U.P. Fire Services - Jhansi**





**Lavel 3 (Off-site) Mock drill**

## 11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company is fully conscious of its Corporate Social Responsibility (CSR). In addition to carrying forward various CSR projects started in the earlier year, many new ones were also initiated in FY 2021-22.

Your Company has strategically aligned many of its CSR activities to create value for the society. Your Company has identified health, education, empowerment of underprivileged and skill development as its major focus areas, on which most of the CSR programs are targeted.

Following a Project-based approach towards all CSR interventions, as detailed in the CSR Policy, your Company has implemented CSR programmes primarily in the areas which are in close proximity to the major work centers/installations of your Company, as identified under Schedule VII of the Companies Act, 2013.

The policy covers matters in the field of promoting gender equality, education, skill development, sanitation etc. The policy intends to strive for economic development that positively impacts society at large by way of optimum utilization of resources.

The Annual Report on CSR activities in accordance with the companies (Corporate Social Responsibility) Rules, 2014, is appended as **Annexure "A"** to this report.



**Programme organised towards CSR**





**Health Check-up Camp Under CSR Activity**



**Inauguration of PSA Oxygen Generating Plant  
For Community Health Centre - Baruasagar Jhansi**

## 12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS, AND OUTGO

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 is appended as **Annexure "B"**

## 13. PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration exceeding the limits set out under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

## 14. DIRECTORS RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of Companies Act, 2013, the Directors, to the best of their knowledge and belief state that:

- A. In the preparation of Annual Accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed.
- B. Accounting policies were selected and applied consistently except where otherwise stated in the Notes to Accounts and judgments and estimates made were reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- C. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities was ensured; and
- D. Annual Accounts for the Financial Year ended 31st March, 2022 were prepared on a going concern basis.
- E. The Company has laid down an established internal financial control framework including internal controls over financial reporting, operating controls and for the prevention and detection of fraud and errors. The framework is reviewed periodically by Management and tested by the internal auditors and statutory auditors. Based on the periodical testing the framework is strengthened from time to time to ensure the adequacy and effectiveness of internal financial controls.
- F. The Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 15. DIRECTORS

Shri M. V. Iyer was recommended by GAIL (India) Limited as Chairman of the Company w.e.f. 14/09/2021 in place of Shri Sukhmal Kumar Jain. Further, Shri Sukhmal Kumar Jain ceased from the post of Director w.e.f. 04/10/2021.

Shri Hirdesh Kumar, served his tenure as Managing Director of the Company till 02/05/2022 thereafter, Shri Rathish Kumar Das was appointed as an Additional Director and Managing Director of the Company recommended by GAIL (India) Limited w.e.f. 02/05/2022.

Shri Sunil Kumar Bains continue his tenure as a Director Commercial w.e.f 04/02/2021

Shri Praveer Agrawal ceased to be director w.e.f 14/09/2021, Shri Ashim Batra ceased to be director w.e.f 30/09/2021, Shri Manjeet Singh ceased to be director w.e.f 01/07/2022 and Shri R.C. Gupta ceased to be Independent Director upon expiration of his term.

Shri Rajeev Dutta was appointed as an Additional Director of the Company w.e.f 14/10/2021 and he further ceased to be director w.e.f 13/04/2022.

Shri Ajai Tyagi was appointed as an Additional Director of the Company by Indraprastha Gas Limited w.e.f 29/12/2021.

Shri Akshay Wadhwa was appointed as an Additional Director of the Company 09/05/2022.

Shri Rajeev Kumar was appointed as an Additional Director (Nominee of Indraprastha Gas Limited) w.e.f 18/08/2022

Shri Sunil Kumar Agrawal was appointed as Independent Director w.e.f. 02/07/2021 for one year term. He further re-appointed as Director in an Independent Category for three years i.e. w.e.f. 18/08/2022.

## 16. CORPORATE GOVERNANCE

Corporate governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. It is imperative that Company's affairs are managed in a fair and transparent manner. Therefore, at CUGL we follow the best practices of Corporate Governance. The Board of Directors is at the core of our Corporate Governance and oversees how the Management serves and protects the long-term interest of the Stakeholders.

## 17. AUDITORS:

### • Statutory Auditors & Audit Report

In exercise of powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (C&AG) vide its letter dated 18/08/2021 has appointed M/s Mittal Gupta & Co. (Firm Registration No. 001874C), Chartered Accountants as Statutory Auditors of the Company for the financial year 2021-22.

The Statutory Auditors were paid a remuneration of Rs. 6,50,000/-plus applicable taxes towards audit fee. The above fees are exclusive of applicable taxes and reimbursement of reasonable travelling and out of pocket expenses actually incurred.

Review and Comments of C&AG, if any, on the Company's Financial Statements for the financial year ended 31st March 2022 forms part of the Financial Statements. Notes on Financial Statements referred to in the Auditors' Report are self-explanatory. There are no qualifications on the financial statements by the Statutory Auditors for FY 2021-22. Further, during the Financial Year 2021-22, the Statutory Auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

### • Cost Auditors

During the year 2021-22, M/s. R. M. Bansal & Co. Cost Accountants were appointed as the Cost Auditors to conduct Audit of cost accounting records maintained by the Company.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013. The Board of Directors appointed M/s. R. M. Bansal & Co., as Cost Auditors for the financial year 2022-23 at the remuneration of Rs. 60,000/- plus applicable taxes.

As required under the Companies Act, 2013, 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 member's ratification for the remuneration payable to M/s. R. M. Bansal & Co., Cost Auditors is included in the Notice convening the Annual General Meeting.

### • Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013, Your Company had appointed M/s Garg & Associates., Practicing Company Secretaries, Kanpur to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report confirming compliance by Practicing Company Secretary



to applicable provisions of the Companies Act 2013 and other applicable laws forms part of this report as "Annexure C" to this Report.

Secretarial Auditors' Report for FY 2021-22 of M/s Garg & Associates., Practicing Company Secretaries, Kanpur is self-explanatory. There was no qualification and adverse remark made by Auditor in their respective report.

#### **18. ANNUAL RETURN:**

Annual Return for the year 2021-22 has been placed on the website\* of the Company. i.e. [www.cugl.co.in](http://www.cugl.co.in)

\* Copy of Annual Return shall be placed on the website once it is filed with the office of Registrar of Companies, Uttar Pradesh.

#### **19. RELATED PARTY TRANSACTIONS:**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

#### **20. MANAGERIAL REMUNERATION:**

The Executive and Whole-time Directors of the company are paid remuneration as per their respective contracts which are approved by the Board.

The Independent Directors are paid sitting fees of Rs. 20,000/- per Board Meeting and Rs. 10,000/- per committee meeting for attending the meetings.

#### **21. RISK MANAGEMENT POLICY:**

Your Company has a Risk Management System including the Risk Policy & identification of the Risks which are reviewed periodically.

Your Company has laid down a set of standards, processes, and structure which enables it to implement internal financial control across the organization.

Your company has put in place a critical risk management framework across the company. Your company keeps on reviewing various risks in the sphere of regulation, business, compliances, etc. in a continuously changing business environment.

In the management of Risk, the probability of risk assumption is estimated on the basis of available data and information, and accordingly, appropriate risk treatments have been worked out. Your company is making efforts to ensure strict adherence to policies, procedures, rules, and regulations.

The contents of Risk Management Policy are available on the website of the Company [www.cugl.co.in](http://www.cugl.co.in).

#### **22. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has a Whistle Blower Policy as part of the vigil mechanism, which provides a platform to the employees, directors, vendors and suppliers of the Company to come forward and raise their genuine concerns without any fear of retaliation and victimization. The Whistle Blower Policy is available on the website of the Company [www.cugl.co.in](http://www.cugl.co.in).

#### **23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES:**

Your Company does not have any subsidiaries, Joint venture and Associate companies as on 31st March 2022.

#### **24. CREDIT RATING**

Your Company has gained the domestic credit rating of "A1+" from CARE, which indicates strong degree of safety regarding timely payment of financial obligations.

## 25. DISCLOSURES:

### A. Board of Directors and compositions:

The composition and category of Directors along with other Directorships as at March 31, 2022 is as under:

Sl. No.	Name of Directors	Category	Directorships in other Public Limited Companies
1	Shri M.V. Iyer	Non- Executive	3
2	Shri Hirdesh Kumar*	Executive	NIL
3	Shri Sunil Kumar Bains	Executive	Nil
4	Shri Praveen Kumar Pandey	Non-Executive	NIL
5	Shri Manjeet Singh**	Non-Executive	NIL
6	Shri Rajeev Dutta***	Non-Executive	NIL
7	Shri Ajai Tyagi	Non-Executive	NIL
8	Shri Ramesh Chandra Gupta****	Non-Executive - Independent	1
9	Shri Sunil Kumar Agrawal	Non-Executive - Independent	NIL

\*Shri Hirdesh Kumar ceased to be Managing Director w.e.f 02/05/2022, \*\*Shri Manjeet Singh ceased to be director w.e.f 01/07/2022. \*\*\*Shri Rajiv Dutta ceased to be Director w.e.f 13/04/2022 and \*\*\*\*Shri Ramesh Chandra Gupta ceased to be director upon expiration of his term on 01/07/2022.

### B. Board Meetings:

Pursuant to the provisions of Section 173 of the Companies Act, 2013 and rules made there under, every Company shall hold a minimum of four meeting of its Board of Directors every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

During the Financial Year ended March 31, 2022 Seven Board meetings were held. The Board meeting held on May 17, 2021, August 02, 2021, September 7, 2021, September 14, 2021, November 12, 2021, February 04, 2022 and March 24, 2022.

The last Annual General Meeting was held on September 14, 2021.

During the year Directors' attendance in the Board Meetings and AGM are given below:

Sl. No.	Name of Directors	Meetings Held During Tenure	Meetings Attended	Attendance at Last AGM
1	Shri M. V. Iyer	4	4	N/A
2	Shri Hirdesh Kumar	7	7	Yes
3	Shri Sunil Kumar Bains	7	7	Yes
4	Shri P K Pandey	7	7	Yes
5	Shri Manjeet Singh	7	7	Yes
6	Shri Sunil Kumar Agrawal	6	6	Yes
7	Shri Ramesh Chandra Gupta	7	7	Yes
8	Shri Ashim Batra	4	3	Yes
9	Shri Praveer Kumar Agrawal	3	3	Yes
10	Shri Sukhmal Kumar Jain	2	2	Yes
11	Shri Rajeev Dutta	3	3	N/A
12	Shri Ajai Tyagi	2	2	N/A
13	Shri Surjeet Mahalik	1	1	N/A

### C. General Meeting

Details of Last three Annual General Meetings held are as follows:

Sl. No.	No. of Meeting	Date of Meeting	Place of Meeting
1	14 <sup>th</sup> AGM	26-09-2019	Hotel Landmark, The Mall Road , Kanpur
2	15 <sup>th</sup> AGM	29-09-2020	Registered Office: 7 <sup>th</sup> Floor, UPSIDC Complex, A1/4 Lakhanpur, Kanpur, Uttar Pradesh -208024 Through Video Conference/Other Audio-visual means via Registered office of the Company
3	16 <sup>th</sup> AGM	14-09-2021	Registered Office: 7 <sup>th</sup> Floor, UPSIDC Complex, A1/4 Lakhanpur, Kanpur, Uttar Pradesh -208024 Through Video Conference/Other Audio-visual means via Registered office of the Company

No Extraordinary General Meeting (EGM) was held during Financial Year 2021-22.

### D. Key Managerial Personnel

Pursuant to Section 203 of Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 following persons act as Key Managerial Personnel (KMP) of the Company:

Shri Rathish Kumar Das, Managing Director (MD) is appointed as KMP of the Company with effect from 02nd May, 2022.

Shri Sunil Kumar Bains, Director (Commercial) of the Company is continued to be as Whole Time Director (WTD) as part of KMP with effect from 04th February, 2021.

Shri Asheesh Agrawal, Chief Financial Officer of the Company is continued as a part of KMP with effect from 18th March, 2016.

### E. Constitutions of Audit Committee and Corporate Social Responsibility Committee.

#### 1) AUDIT COMMITTEE

The Audit Committee was headed by Shri Ramesh Chandra Gupta, Independent Director. Thereafter, headed by Shri Sunil Kumar Agrawal, Non-Executive Independent Director. Further, Composition of the Committee as on 31.03.2022 is given below:

S. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1	Shri R C Gupta	Independent & Non- Executive Director	Chairman
2	Shri Sunil Kumar Agrawal	Independent & Non- Executive Director	Member
3	Shri Manjeet Singh	Non-Executive	Member
4	Shri Rajeev Dutta	Non- Executive	Member

During the year 2021-22, four meetings of the Audit Committee were held.

## 2) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The CSR Committee is headed by Shri Sunil Kumar Agrawal, Independent Director. Composition of the Committee as on 31.03.2022 is given below:

Sl. No.	Members of Committee	Executive/Non-Executive/Independent	Position in the Committee
1.	Shri Sunil Kumar Agrawal	Independent & Non- Executive Director	Chairman
2.	Shri R C Gupta	Independent & Non- Executive Director	Member
3.	Shri Hirdesh Kumar	Managing Director	Member
4.	Shri Sunil Kumar Bains	Director (Commercial)	Member

During the year 2021-22, two meetings of the Corporate Social Responsibility Committee were held.

## 26 MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and analysis forms part of this report at **Annexure 'D'**.

## 27. GENERAL:

### SIGNIFICANT AND MATERIAL ORDER

There are no significant and material orders passed by the regulators or courts or tribunal impacting the going concern status and Company's operations in future.

## 28. PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, your Company has constituted an Internal Complaints Committee. During the year, no complaint with allegation of sexual harassment was received by the Company.

## 29. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2022

Shareholding Pattern of the Company as on 31st March, 2022 is as follows:

Sl. No.	Name of Shareholders	No of Equity Shares held @ Rs. 10/- each	% of Shares held
1	GAIL (India) Limited including shares held jointly with it's employees.	1,50,00,000	25.00 %
2	Bharat Petroleum Corporation Limited	1,49,99,600	25.00%
3	Others (Individuals of BPCL)	400	Negligible
4	Indraprastha Gas Limited	3,00,00,000	50.00%
<b>Total</b>		<b>6,00,00,000</b>	<b>100%</b>



### **Proceeding of 16th AGM**

#### **30. ACKNOWLEDGEMENT**

Your Directors express their gratitude to the Ministry of Petroleum & Natural Gas, State Government of Uttar Pradesh, Petroleum and Natural Gas Regulatory Board, and Promoter Companies (GAIL & BPCL) for their continuous patronage & support throughout the year.

The Directors also acknowledge the support of all Statutory & Local Authorities, Auditors, Bankers, Media, Station Operators & their employees, contractors, vendors and suppliers.

The Directors place on record their deep appreciation towards CUGL's valued customers for their continued co-operation & support and look forward to the continuance of this relationship in future also.

The Directors wish to express their gratitude to CUGL's major stakeholder Indraprastha Gas Limited for their continued trust and support.

The Directors also sincerely acknowledge the contributions made by all the employees of CUGL for their dedicated services to the Company.

**On behalf of the Board of Directors  
For Central U.P. Gas Limited**

**(Rathish Kumar Das)**  
**Managing Director**  
**DIN: 09586463**

**(Sunil Kumar Bains)**  
**Director Commercial**  
**DIN: 09053593**

**Place: New Delhi**  
**Date: 29.08.2022**

**Registered Office:**  
**7th floor, UPSIDC Complex**  
**A 1/4 Lakhanpur, Kanpur-208 024**  
**CIN: U40200UP2005PLC029538,**  
**Website: [www.cugl.co.in](http://www.cugl.co.in)**  
**Email: [secretarial@cugl.co.in](mailto:secretarial@cugl.co.in)**  
**Tel No.: 0512-2246000,**  
**Fax No.: 0512- 2582453**

## ANNEXURE- "A"

### Report on Corporate Social Responsibility (CSR) Activities/Initiatives for the year ended 31st March, 2022

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014)

#### Brief outline on CSR Policy of the Company:-

Central U.P. Gas Limited (CUGL) recognizes that it's business activities have direct and indirect impact on the society. The Company strives to integrate it's business values and operations in an ethical and transparent manner to demonstrate it's commitment to sustainable development and to meet the interest of its stakeholders.

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.

CSR Policy which is in line with requirements of Companies Act, 2013.

The contents of CSR Policy of CUGL are displayed on CUGL's website at [www.cugl.co.in](http://www.cugl.co.in)

#### Composition of CSR Committee as on 31.03.2022:

Shri Sunil Kumar Agrawal- Chairman

Shri R C Gupta – Member

Shri Hirdesh Kumar – Member

Shri Sunil Kumar Bains – Member

The Corporate Social Responsibility Committee of the Company comprises Four Directors, out of which Two Director are independent. The Composition of CSR committee is as under:

S. 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
1	Shri Sunil Kumar Agrawal	Independent Director	2	2
2	Shri R C Gupta	Independent Director	2	2
3	Shri Hirdesh Kumar	Managing Director	2	2
4	Shri Sunil Kumar Bains	Director Commercial	2	2

- Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. : <https://www.cugl.co.in/CSR/policy-of-company>
- Details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3)of rule8 of the Companies(Corporate Social responsibility Policy)Rules,2014,if applicable (attach the report): Not Applicable
- Details of the amount available for setoff 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: Not Applicable



S.No	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the Financial Year, if any (In Rs.)
------	----------------	--	---

**Not Applicable**

6. Average net profit of the company as per section 135(5): Rs 9181.39 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 183.63 Lakhs  
 (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): (Budget allocated Rs. 183.63 Lakhs)
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs/Lakhs)	Amount Unspent (In Rs/Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
183.63 Lakhs			Any specified Funds Rs NIL		

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

1	2	3	4	5	6	7	8	9	10	11
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs/Lakhs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State	District					Name CSR Registration Number

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

1	2	3	4	5		6	7	8	
S. N.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent ( In Rs.	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Organizing Health Check-up camp at our CNG Stations / RO stations at our GA's and adjoining areas		Yes	U.P	Kanpur, Unnao, Bareilly	11,56,610	No	National Youth Foundation	CSR 00000506
2	Organizing Health Checkup camp at RO -CNG stations at Jhansi		Yes	U.P	Jhansi	4,81,735	No		
3	Construction of Public Toilets (5-Seater) Near Daelapeer Mandi		Yes	U.P	Bareilly	1,05,221	No	Bareilly Nagar Nigam	
4	Construction of Public Toilets (3- Seater) at ZOO Kanpur		Yes	U.P	Kanpur	1,23,700	No	Kanpur Zoo	
5	Women's empowerment - Vocational training program - Tailoring, Beauty & Hair Dressing etc.		Yes	U.P	Kanpur, Unnao, Bareilly	14,26,715	No	NIESBUD	CSR00022333
	Vocational training program - Tailoring, Beauty & Hair Dressing etc.		Yes	U.P	Jhansi	5,47,560	No		
7	Financial Assistance to Self help Group, Kanpur		Yes	U.P	Kanpur	1,21,641	No		
8	Vocational training program for members of Self help Group Bareilly		Yes	U.P	Bareilly	1,92,000	No	SHG Bareilly	



9	CNG Toolkit Technician Training Program		Yes	U.P.	Jhansi	6,37,169	No	Automotive Skills Development Council	CSR00004533
10	Financial Assistance to J.L.Rohatgi Hospital for ICU i.e. necessary equipments /materials towards covid -19 pandemic		Yes	U.P.	Kanpur	5,00,000	No	Association for the Prevention of Blindness, UP	CSR00014883
11	Financial Assistance to J.L.Rohatgi Hospital for Ventilators & allied machines for NICU		Yes	U.P.	Kanpur	16,25,120	No	Association for the Prevention of Blindness, UP	
12	CSR initiatives for promotion of Sports among the children's in Bareilly		Yes	U.P.	Bareilly	4,99,675	No	Sport - A way of Life	CSR00013832
13	Construction of Road		Yes	U.P.	Kanpur	9,78,621	No	Kanpur Nagar Nigam	
14	Contribution for Oxygen Plant in Kanpur Medical College		Yes	U.P.	Kanpur	15,00,000	Yes	Direct	
15	Two Ventilators to Govt Hospital, Jhansi		Yes	U.P.	Jhansi	13,50,720	Yes	Direct	
16	Installation of PSA Oxygen Plant _CHC Baruasagar Jhansi		Yes	U.P.	Jhansi	51,68,400	Yes	Direct	
17	Plantation with tree guards at public place		Yes	U.P.	Kanpur	1,86,440	No	Kanpur Nagar Nigam	
18	Environment awareness activities in Diwali Mela , Kanpur Nagar Nigam		Yes	U.P.	Kanpur	4,00,000	No	Kanpur Nagar Nigam	
19	Hearing Aid Machine to Jyoti Muke & Badhir School, Bhittoor Kanpur		Yes	U.P.	Kanpur	3,59,200	Yes	Direct	
20	Financial assistance to JDA to organize various cultural and literacy promotional activities by JDA, Jhansi through Atal Kala Manch at Atal Ekta Park, Jhansi for financial support to those actors who are affected from Covid-19		Yes	U.P.	Jhansi	2,00,000	No	Jhansi Development Authority	
21	financial assistance / grant to "Foundation for Innovation & Research in Science & Technology", (a section-8 company promoted by IIT Kanpur) to develop & pilot one unit of CATHETER REPROCESSING SYSTEM by one of our Incubated Startup		Yes	U.P.	Kanpur	5,00,000	No	Foundation for Innovation & Research in Science & Technology", (a section-8 company promoted by IIT Kanpur	
22	Women's empowerment activities - Vocational training program / Manufacturing & Distribution of Sanitary pad		Yes	U.P.	Kanpur	3,02,473		Amar Ujala Foundation	CSR00001989
						1,83,63,000			

(d) Amount spent in Administrative Overheads : Rs. NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs 183.63/-Lakhs

(g) Excess amount for set off, if any: Not Applicable

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

S. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
1	2020-21	Nil	85,03,355	PM CARES	74,70,645	28/09/2021	Nil
2	2019-20	Not Applicable					
3	2018-19	Not Applicable					

- (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). Not Applicable
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.

**On behalf of the Board of Directors  
For Central U.P. Gas Limited  
(Sunil Kumar Agrawal)  
Chairman of CSR Committee**

**Place: New Delhi  
Date: 29.08.2022**

**Registered Office:  
7th floor, UPSIDC Complex  
A 1/4 Lakhanpur, Kanpur-208 024  
CIN: U40200UP2005PLC029538,  
Website: [www.cugl.co.in](http://www.cugl.co.in)  
Email: [secretarial@cugl.co.in](mailto:secretarial@cugl.co.in)  
Tel No.: 0512-2246000,  
Fax No.: 0512- 2582453**

## ANNEXURE- "B"

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

#### A. CONSERVATION OF ENERGY

- (i) Conservation of energy is an ongoing process in the Company's activities. Few of them are as under:
- Various measures are taken to minimize the gas loss and gas loss is substantially reduced,
  - Close monitoring of engine fuel consumption (Natural Gas) of compressor packages is in place to maintain the fuel consumption below the prescribed limit.
- (ii) The steps taken by the company for utilizing alternate sources of energy:
- Conventional lights are replaced with LED lights at CNG stations,
  - Diesel based LCVs/HCVs are replaced by CNG based LCVs/HCVs.
- (iii) The capital investment on energy conservation equipments: Nil

#### B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption-	<ol style="list-style-type: none"> <li>CNG automation of COCO CNG stations</li> <li>Implementation of SAP HANA</li> <li>Installation of domestic AMR Meters</li> <li>Procurement of laser-based methane gas detectors for leak survey</li> </ol>
2. The benefits derived like product improvement, cost reduction, product development, or import substitution -	<ol style="list-style-type: none"> <li>Cost reduction by in-house maintenance of CNG dispensers &amp; CNG Cascades</li> <li>Cost reduction by in-house maintenance of old DR &amp; Delta compressors</li> <li>Cost reduction by the development of alternate sources for dispenser spares</li> <li>Cost reduction by optimization of manpower</li> </ol>
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ol style="list-style-type: none"> <li>the details of technology imported;</li> <li>the year of import;</li> <li>whether the technology has been fully absorbed;</li> <li>if not fully absorbed, areas where absorption has not taken place, and the reasons thereof -</li> </ol>	NIL
4. The expenditure incurred on Research and Development -	NIL

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no foreign exchange earnings and outgo during the year under review.

## ANNEXURE- "C"

### SECRETARIAL AUDIT REPORT

**For the Financial Year ended on 31st March, 2022**

[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,  
**CENTRAL U.P. GAS LIMITED**  
(CIN:U40200UP2005PLC029538)  
7th Floor, UPSIDC Complex,  
A - 1/4, Lakhanpur,  
KANPUR- 208024

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s CENTRAL U.P.GAS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;  
**(Not applicable to the company during audit period being unlisted Company)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;  
**(Not applicable to the Company during audit period as the company has no Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings)**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')  
**(Not applicable to the company during audit period being an unlisted Company)**
- (vi) We further report that having regard to the Compliance system prevailing in the company and on examination of relevant records in pursuance thereof, on test check basis, the company has generally complied with the following Laws applicable specifically to the Company-
  - a. The Petroleum and Natural Gas Regulatory Board Act, 2006 and the Rules and Regulations made there under;
  - b. The Explosives Act, 1804 and the Rules and Regulations made there under; and
  - c. Gas Cylinders Rules, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges

**(Not applicable to the Company during audit period being an unlisted Company)**

we further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 in Board Meetings and Committee Meetings are generally carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

we further report that based on the information provided by the Company and its Officers during the conduct of Audit, 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.

We further report that during the Audit period there was no specific event/action in pursuance to above referred laws/rules/ Regulations/ Guidelines having any major bearing on company's affairs

For **Garg & Associates**  
Company Secretaries

**Place : Kanpur**  
**Date : 03.08.2022**

**(S.K. GARG)**  
**Proprietor**  
FCS: 1345  
CP: 2169  
UDIN: F001345D000737058

**Note:** This Report to be read with our letter of even date which is marked as **Annexure** and forms an integral part of this Report.

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**CENTRAL U.P. GAS LIMITED**  
(CIN:U40200UP2005PLC029538)  
7th Floor, UPSIDC Complex,  
A - 1/4, Lakhanpur,  
KANPUR- 208024

Our Secretarial Audit Report for the Financial year ended on 31st March,2022 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as the same are subject of Statutory Audit.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Garg & Associates**  
Company Secretaries

**Place : Kanpur**  
**Date : 03.08.2022**

**(S.K. GARG)**  
**Proprietor**  
FCS: 1345  
CP: 2169  
UDIN: F001345D000737058

## ANNEXURE- "D"

### MANAGEMENT DISCUSSION AND ANALYSIS

#### NATURAL GAS SCENARIO IN INDIA

Natural Gas as a fuel for transportation and other energy requirement has proved its significance over the year and also termed as 'fuel of future' across the world.

Due to control over COVID-19 pandemic with reduced number of cases, COVID-19 restrictions across the country are also being relaxed, which is leading to faster recovery of economic activity along with sharp increase in natural gas consumption particularly in transport and commercial segments.

In India's energy basket, share of Natural Gas is 6.32% as against 24.42% worldwide. Government is having very ambitious plan to increase this share of natural gas in India's energy basket to 15% by the year 2030.

Also, India despite being the third largest consumer of energy in the world, energy consumption per capita is lower than the world average, which indicates a significant opportunity for growth for the Indian gas sectors. With such potential, the gas sector will play a crucial role in meeting the energy demand for the growing economy.

In the energy basket of India, Natural gas occupies a vital position. It is one of the cleanest, safest, and most useful among all energy sources. It is traditionally consumed in CNG and PNG segment consisting of residential, commercial, transport and industrial sector along with sectors like power, fertilizers and LPG etc.

Allocation of domestically produced natural gas for CNG and Domestic PNG along with its prices are derived in accordance with the guidelines issued time to time by the Government of India. Domestic gas in the country is currently supplied mainly from the oil & gas fields located at western and South-eastern areas viz. Hazira basin, Mumbai offshore & KG basin as well as North East Region (Assam & Tripura) and other nominated blocks which are being operated by the ONGC, OIL, Private and Joint Ventures.

However, in comparison to demand of Natural Gas in India, which includes Power, fertilizer, CGD and LPG etc, production of domestic natural gas in India is significantly lower and there is a need of developing new natural gas fields to enhance the production of domestic natural gas. Currently, this gap of natural gas production and consumption is fulfilled by imported RLNG. Accordingly, during the year 2021, Domestic natural gas production was 28.54 BCM (Billion cubic metres) against the total consumption of 62.17 BCM i.e. 46%. Balance 54% (33.63 BCM) requirement of country's natural gas was met from imported RLNG.

During some part of the year, your company also faced substantial cut in domestic gas allocation and this shortfall was met by procuring RLNG at a much competitive rate.

#### CITY GAS DISTRIBUTION (CGD)

CGD is supply, distribution and transportation of natural gas through an integrated network of steel and MDPE pipelines in the form of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) to consumers in domestic, commercial, industrial and transport sectors.

At present, CGD sector in India is witnessing a tremendous growth on account of very successful 9th, 10th, 11th and 11A CGD bidding rounds conducted by the PNGRB.

CNG is an efficient fuel, emits lesser pollutants in comparison of other alternate fuels. As per the increasing demand of CNG vehicles on account of lots of benefits associated with it, various new CNG variants by the leading car manufactures like Maruti and Hyundai are being introduced in a wide variety for commercial applications.

Traditional fossil fuels can easily be replaced by Natural Gas due to its environment friendliness and economic benefits. With rising concern over pollution, CNG has given remarkable advantage over the use of traditional fossil fuels like Petrol and Diesel.



Increasing number of CNG stations is boosting CNG consumption across the country and also helping our cities to become more greener and cleaner. During the year 2021-22 despite COVID-19 pandemic and lot of challenges, both CNG and PNG business have performed very well.

PNG sales volume has increased from 310.94 lakhs SCM in FY 2020-21 to 426.63 lakh SCM in FY 2021-22 showing a growth of 37%. Domestic, Industrial and Commercial segments also performed well as it witnessed a growth of 35%, 38% and 41% respectively in gas sales volume over last financial year. Similarly, CNG sales volume has also increased from 359.98 lakhs Kgs in FY 2020-21 to 536.68 lakh Kgs in FY 2021-22 showing a growth of 49%.

The total nos. of vehicles using CNG was around 79,850 as on 31st March 2022. The Company has created a network of 74 CNG Stations as on 31st March 2022 for supplying CNG to the customers. The Company has created wide network of pipeline and provided PNG connection to 1,71,737 Domestic Customers, 430 Commercial Customers and 117 Industrial Customers as on 31st March 2022.

Your Company is continuously publishing advertisement to invite applications for opening of new CNG stations on dealership model. Your company is also following up rigorously with Public Sector oil marketing companies (OMCs) like IOCL, BPCL and HPCL for additional setting up of CNG facilities at their existing retail outlets (ROs). Your company also entered in an agreement with private OMC i.e. Nayara Energy Limited and also under discussion with other private OMC.

### **OUTLOOK ON OPPORTUNITIES**

Demand of energy specially natural gas in our country is expected to grow at a much faster pace in comparison to other major economies in the world. This is providing tremendous opportunity for your company to tap the ever-growing market size.

Additionally, OEMs are continuously rolling out more CNG variants which is witnessing strong demand due to benefits associated with the CNG. More CNG variants in Medium & Heavy Commercial Vehicle segment being launched by OEMs has increased the use of CNG in long haul commercial segment.

The Company has also increased the infrastructure in terms of CNG stations and Pipeline network to ensure easy availability of CNG and PNG supply to its customers in all the segments. Your Company has established itself strongly in authorized GA of Kanpur, Bareilly and Jhansi and surrounding areas, which have good potential for Natural gas business in the coming years.

The convenience of using PNG has already established PNG as the preferred fuel in domestic, commercial as well as industrial segments and its demand growing exponentially. On the other side due to strict enforcement of the norms by various statutory authorities deterring use of polluting fuels by industries due to environmental concerns, the usage of Natural Gas while utilizing the existing City Gas Distribution network is bound to grow.

In CNG segment considerable increase in number of CNG stations and increase of factory fitted CNG engines by leading car and commercial vehicles manufacturers has given a big boost to the CNG sector in the cities.

### **OUTLOOK ON THREATS, RISKS & CONCERNS AND MITIGATIONS**

#### **Regulatory Regime**

The City Gas Distribution (CGD) business is under Regulatory regime, wherein the Petroleum and Natural Gas Regulatory Board (PNGRB) has framed various Regulations, which have ramifications on the day-to-day business and operations of a CGD entity.

The Petroleum and Natural Gas Regulatory Board (PNGRB) has been inviting bids from time to time for setting up CGD network in new geographical areas. Total 11A rounds of CGD bidding have been conducted by the PNGRB and 88% of India's area and 98% of its population would have access to CGD Networks for supply of natural gas.

The Company has the infrastructure exclusivity in Kanpur, Bareilly, and Jhansi geographical areas (GA). Your Company has already established CGD infrastructure across these cities.

### **GAS SOURCING AND PRICING**

Your company has continuously monitored the cost of natural gas being sourced from various sources and putted its best endeavour to source natural gas in most cost-effective ways.

In the changing gas scenario, the assured supply of gas at competitive price is playing an important role for future growth of your Company. MoP&NG, Government of India under its guidelines has directed GAIL for allocation of domestic gas supply i.e., APM and NAPM at a formula price linked with international factors to your Company based on gas consumption in CNG and Domestic PNG segments along with a provision to draw 10% over and above the gas allocation. These Natural Gas's allocation policy and pricing guidelines for domestic gas have further strengthened your gas sourcing agreements.

However, with the increasing number of geographical areas authorised to new and older CGD companies, gas demand for CNG and Domestic PNG is also increasing substantially. Domestic natural gas allocated to CGDs is not sufficient to meet the entire gas requirement of CNG and Domestic PNG segment across the country. This shortfall in domestic gas supplies is being met by RLNG.

To cater the growing gas demand of industrial & commercial segment, the Company is procuring R-LNG on term & spot basis. Your company is constantly on the lookout for sourcing cheapest R-LNG supplies for its customers by signing agreements with more suppliers. This helps in enrolling new customers and retaining old ones as the price of gas remains competitive in comparison to price of alternate fuels. Company is actively looking at a variety of options to meet the expected gas demand in future.

Additionally, establishment of gas trading exchange and initiatives by the MoP&NG (Ministry of Petroleum and Natural Gas) and PNGRB for regulating the establishment and operation of gas exchange will also provide your company a better platform for gas sourcing as it will secure equitable distribution and increase in availability of natural gas by creating a free gas market.

The availability of domestic gas supply i.e., APM, NAPM and competitive price RLNG for CNG and Domestic PNG segment coupled with diversified gas sourcing strategy, has helped your Company in maintaining gas selling prices competitive over alternate fuels in CNG and PNG segments. With the assured availability of R-LNG at a competitive price on term and spot basis, your Company had provided gas throughout the year at a very competitive selling price for its customers.

### **VALUE CREATION THROUGH OPERATIONAL EXCELLENCE**

The endeavour of your Company is to create value for its customers and stakeholders. In order to do so more efficiently, your company is continuously upgrading itself by using latest operational and system improvement technologies to meet the changing business requirements. Your company is also upgrading to SAP- HANA to further enhancing its operational efficiency in the processes with cost optimization.

### **ENVIRONMENT CONSCIOUSNESS**

Burning natural gas for energy usages results in fewer emissions of nearly all types of air pollutants and carbon dioxide (CO<sub>2</sub>) than burning coal or other petroleum products to produce an equal amount of energy. About 53 Kgs of CO<sub>2</sub> are produced per million British thermal units (MMBtu) equivalent of natural gas compared with more than 90 Kgs of CO<sub>2</sub> per MMBtu of coal and more than 70 Kgs per MMBtu of fuel oil. The clean burning properties of natural gas have contributed to increased natural gas use for various types of energy requirement and as a transportation fuel for fleet vehicles.

As per various reports, there are many Indian cities including Kanpur which are ranked amongst the top in terms of higher pollution level. These reports are vary seriously taken by the Government, Supreme Court and other authorities, which in turn are taking various measures to reduce pollution and these measures are also including promoting usages of natural gas.

Your Company is also continuously promoting use of natural gas in CNG and PNG segment among Vehicle owners, domestic consumers as well as commercial & industrial consumers through sustained campaigns. Your Company aims to aware all the users about the economic and environmental advantages of natural gas compared to other fuels, apart from assurance of uninterrupted supply of natural gas.

The Company is continuing its efforts to reduce pollution in its authorised and surrounding areas.

**CAUTIONARY STATEMENT**

The Statement in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or marginally from those expressed or implied. Important developments that could affect the Company's operations include demand-supply conditions, changes in Government and international regulations, gas prices, tax regimes, economic developments within and outside India and other factors such as litigation and labour relations

# INDEPENDENT AUDITOR'S REPORT

**To**  
**The Members of**  
**CENTRAL U.P. GAS LIMITED**  
**Kanpur**  
**Report on the Audit of the Financial Statements**

## **Opinion**

We have audited the accompanying financial statements of CENTRAL U.P. GAS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## **Basis for Opinion**

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

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility 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.

A further description of our responsibilities for the audit of financial statements is included in **Annexure 'A'** of this Auditors report of CENTRAL U.P. GAS LIMITED for the financial year ending March 31, 2022.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. As required under section 143(5) of the Companies Act 2013, we give in the **Annexure 'B'** a statement on directions issued by the Comptroller & Auditor General of India after complying the suggested methodology of audit, action taken thereon and its impact on the accounts and financial statements of the company.
3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure – 'C'** a statement on the matters specified in paragraphs 3 and 4 of the Order;
4. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of 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 'D'**. Our report expresses an unmodified opinion on the adequacy and operating

effectiveness of the Company's internal financial controls with reference to financial statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in note no.25 to the financial statements, has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented to us 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 to us that, to the best of its knowledge and belief, no funds ( which are material either individually or in aggregate) have been received by the company from any person(s) 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub- clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.
- v) As stated in Notes 32(b) to the financial statements:
- a) The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with Section 123 of the Act, as applicable.
  - b) The interim dividend declared during the year and paid by the company during the F.Y. 2022-23 and until the date of this report is in compliance with Section 123 of the Act.

Place : Kanpur  
Date : 25.05.2022

for Mittal Gupta & Co.  
Chartered Accountants  
FRN 001874C

Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794



# ANNEXURE "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

### **Annexure A to the Independent Auditor's Report to the members of Central U.P. Gas Limited on its financial statements dated 25.05.2022.**

The annexure referred to in the auditor's report of CENTRAL U.P. GAS LIMITED for the year ended March 31, 2022.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Place : Kanpur  
Date : 25.05.2022

for Mittal Gupta & Co.  
Chartered Accountants  
FRN 001874C

Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794

# ANNEXURE "B"

## TO THE INDEPENDENT AUDITOR'S REPORT

**Annexure B to the Independent Auditor's Report to the members of Central U.P. Gas Limited on its financial statements dated 25.05.2022.**

**(As referred to in paragraph 2 of Report on Legal and Regulatory Requirements of our report on the statement of Directions under section 143(5) of the Companies Act, 2013 issued by the Comptroller and Auditor General of India for the year 2021-22)**

<b>Sr. No.</b>	<b>Directions</b>	<b>Action Taken</b>	<b>Impact on Financial Statements</b>
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has system in place to process all accounting transactions through IT system. Further as per information and explanations given to us by the management, there are no accounting transactions that are processed outside the IT system of the Company which impact the integrity of the accounts.	Not Applicable
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per information and explanations given to us and based on the examination of the records, the company did not have any debts/loans payable to any lender as at and during the year ended March 31, 2022 and hence reporting under this direction is not applicable.	Not Applicable
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per information and explanations given to us and based on the examination of the records, no funds have been received during the year ended March 31, 2022 or receivable as at March 31, 2022 for specific schemes from Central/State Agencies. Therefore, reporting under this direction is not applicable.	Not Applicable

**for Mittal Gupta & Co.  
Chartered Accountants  
FRN 001874C**

**Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794**

**Place : Kanpur  
Date : 25.05.2022**

# ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT

## Annexure C to the Independent Auditor's Report to the members of Central U.P. Gas Limited on its financial statements dated 25.05.2022.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 3 of 'Report on Other Legal and Regulatory Requirements' section.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right-of use assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its property, plant and equipment. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the company except for lease deed of land for CNG station at Fazalganj of Rs. 48.07 lakhs (Previous year Rs. 48.07 lakhs) which is yet to be executed in the name of the Company.

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held –indicate range, where appropriate	Reason for not being held in name of company
Land used for CNG station at Fazalganj, Kanpur.	Rs 48.07 lakhs	M/S GAIL(INDIA) Limited	Promotor	Year 2005	Plot has been allotted by UPSRTC to M/S GAIL (India) Limited, however, the sale deed has not been executed. After execution of sale deed and registration, M/S GAIL will sub-lease the property to CUGL.

- (d) The Company has not revalued its property, plant and equipment (including right-of use assets) and intangible assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) Inventory comprises gas, stores and spares. According to the information and explanation given to us, inventory of stores and spares has been physically verified at reasonable intervals by the management. In our opinion, procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. Further, the stock of gas in pipeline cannot be physically verified and is estimated on volumetric basis. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.
- (b) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not been sanctioned any working capital limits on the basis of security of current assets of the Company during the year. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable to the company.
- iii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not made any investments or, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, the provisions of clause 3(iii)(a), (c) to (f), of the Order are not applicable to the company.
- iv) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Companies Act 2013. Accordingly, the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v) According to the information and explanations given to us, in our opinion, the Company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the Act read with the Companies (Acceptance & Deposit) Rules 2014 and other relevant provisions of the Act, to the extent notified. Accordingly, the provisions of clause 3(v) of the said order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of statutory dues:
  - a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Income-tax, Tax deducted at sources, Tax collected at source, Sales Tax, value added tax (VAT), Goods and Service Tax (GST), Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it, with the appropriate authorities though there has been slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax, Custom Duty, Excise Duty, Entry tax, Value Added Tax, Goods and Service Tax, which have not been deposited on account of any dispute as on March 31, 2022 are as under:

Name of statute	Nature	Amounts unpaid* (Rs.)	Period to which the amount relates	Forum where the appeal is pending
Income Tax Act, 1961	Disallowance of claims made by the Company	653,200	Assessment Year 2014-2015	Commissioner of Income Tax (Appeals)
-----do---	-----do---	729,308	Assessment Year 2015-2016	-----do---
Central Excise Act	Excise duty On discounts	3,074,603	Financial year 2008-09 to 2011-12	CESTAT, Delhi
-----do---	Excise duty On value of exempted services	82,301,521	Financial year 2009-10 to 2013-14	-----do---

- viii) According to the information and explanations given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the company.
- ix) (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not availed any fund based working capital facilities from any banks, financial institutions and lenders. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable to the company.
- (b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared wilful defaulter by any bank, financial institution or other lenders or government or any government authority.
- (c) The Company has not availed any Term loans from any banks and financial institution during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable to the company.
- (d) On overall examination of the financial statement of the Company, prima facie, no funds raised on short term basis have been used for long term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable to the company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable to the company.
- x) (a) According to the information and explanations given to us and as per the books and records examined by us, the company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of paragraph 3(x) (a) of the Order are not applicable to the company.
- (b) According to the information and explanations given to us and as per the books and records examined by us, the company has not made any preferential allotment or private placement of

shares or convertible debentures during the year. Accordingly, the provisions of paragraph 3(x) (b) of the Order are not applicable to the company.

- xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, the provisions of paragraph 3(xi) (a) and (b) of the Order are not applicable to the company.  
(b) According to the information & explanations and representation made by the management, no whistle- blower complaints have been received during the year (and up to the date of the report) by the company.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) (a) to (c) of the Order are not applicable to the company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
- xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.  
(b) The internal audit reports of the Company issued till the date of the audit report, for the part period under audit have been 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 directors or persons connected with him and hence the provisions of paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the provision of paragraph 3 (xvi) (a) to (c) of the Order is not applicable to the Company.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly provision of paragraph 3 (xvi) (d) of the Order is not applicable.
- xvii) In our opinion, and according to the information and explanations provided to us, 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, provisions of paragraph (xviii) of the Order are 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) (a) In respect of other than ongoing projects, the company has transferred the unspent amounts for the previous financial year that are required to be transferred to a fund specified in Schedule VII of the Act, within a period of six months from the expiry of previous financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 27 to the financial statements.
- (b) There are no unspent amounts and ongoing projects in the Company, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

**Place : Kanpur**  
**Date : 25.05.2022**

**for Mittal Gupta & Co.**  
**Chartered Accountants**  
**FRN 001874C**

**Sd/-**  
**Bihari Lal Gupta**  
**Partner**  
**Membership No. 073794**

# ANNEXURE "D"

## TO THE INDEPENDENT AUDITOR'S REPORT

**Annexure D to the Independent Auditor's Report to the members of Central U.P. Gas Limited on its financial statements dated 25.05.2022.**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 4(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls with reference to financial statements of Central U.P. Gas Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Management and Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the 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 system over financial reporting.

**Meaning of Internal Financial Controls System Over Financial Reporting with reference to standalone financial statements**

A Company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place : Kanpur**  
**Date : 25.05.2022**

**for Mittal Gupta & Co.**  
**Chartered Accountants**  
**FRN 001874C**

**Sd/-**  
**Bihari Lal Gupta**  
**Partner**  
**Membership No. 073794**

# BALANCE SHEET AS AT 31 MARCH, 2022

Sr. No	Particulars	Note No.	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>A</b>	<b>Assets</b>			
<b>1</b>	<b>Non-current assets</b>			
a)	Property, plant and equipment	4	41,261.25	32,277.09
b)	Capital work in progress	5	6,890.42	5,986.66
c)	Other intangible assets	6 (a)	16.41	27.99
d)	Intangible Asset under development	6 (b)	181.05	-
e)	Right of Use assets	6 (c)	236.66	300.84
f)	Financial assets			
(i)	Other non-current Financial Assets	7(b)	871.20	2,293.72
g)	Income-tax Assets	9(b)	207.32	212.96
h)	Other non current assets	9(c)	426.42	698.45
	<b>Total non-current assets</b>		<b>50,090.73</b>	<b>41,797.71</b>
<b>2</b>	<b>Current assets</b>			
a)	Inventories	8	42.45	17.07
b)	Financial assets			
(i)	Trade receivables	7(a)	4,696.58	3,664.56
(ii)	Cash and cash equivalents	7(c)	523.92	536.87
(iii)	Bank balances other than above	7(d)	5,613.08	4,144.91
(iv)	Other current Financial Assets	7(b)	5,110.80	2,125.55
c)	Other current assets	9(a)	69.37	62.67
	<b>Total current assets</b>		<b>16,056.20</b>	<b>10,551.63</b>
	<b>Total Assets</b>		<b>66,146.93</b>	<b>52,349.34</b>
<b>B</b>	<b>Equity and liabilities</b>			
<b>1</b>	<b>Equity</b>			
a)	Equity share capital	10	6,000.00	6,000.00
b)	Other equity	11	46,562.89	36,364.38
	<b>Total equity</b>		<b>52,562.89</b>	<b>42,364.38</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
a)	Financial liabilities			
(i)	Lease liabilities		39.66	68.87
b)	Deferred tax liabilities	12	2,417.64	1,963.81
	<b>Total non-current liabilities</b>		<b>2,457.30</b>	<b>2,032.68</b>
<b>3</b>	<b>Current liabilities</b>			
a)	Financial liabilities			
(i)	Lease liabilities		74.43	73.60
(ii)	Trade payables	13(a)		
-	Dues of MSME		185.32	94.89
-	Dues of Creditors other than MSME		2,354.48	1,335.98
(iii)	Others Current Financial liabilities	13(b)	7,847.33	5,846.06
b)	Provisions	14	51.36	100.20
c)	Other current liabilities	16	449.14	351.55
d)	Current tax liabilities (Net)	15	164.68	150.00
	<b>Total current liabilities</b>		<b>11,126.74</b>	<b>7,952.28</b>
	<b>Total liabilities</b>		<b>13,584.04</b>	<b>9,984.96</b>
	<b>Total equity and liabilities</b>		<b>66,146.93</b>	<b>52,349.34</b>

See accompanying notes forming part of the financial statements

(1 to 42)

In terms of our report attached

for Mittal Gupta & Co.  
Chartered Accountants  
Firm Registration 001874C

Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794

Place: Kanpur  
Date: 25.05.2022  
UDIN: 22073794AJYUP27685

For and on behalf of the Board of Directors

Sd/-  
Rathish Kumar Das  
Managing Director  
DIN: 09586463

Sd/-  
Sunil Kumar Bains  
Director (Commercial)  
DIN: 09053593

Sd/-  
Asheesh Agarwal  
Chief Financial Officer

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

Particulars	Note No.	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Income</b>			
Revenue from operations	17	50,957.40	29,479.49
Other income	18	787.16	703.55
<b>Total income</b>		<b>51,744.56</b>	<b>30,183.04</b>
<b>Expenses</b>			
Purchases	19	23,500.34	10,753.84
Changes in inventories of finished goods	20	(25.38)	(1.71)
Excise duty		3,924.29	2,381.29
Employee benefit expenses	21	1,150.40	1,086.46
Depreciation and amortisation expense	22	2,384.53	1,956.70
Finance Cost	23	37.13	39.33
CSR Expenses		183.63	159.74
Other expenses	24	4,693.71	3,273.25
<b>Total Expenses</b>		<b>35,848.65</b>	<b>19,648.90</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>15,895.91</b>	<b>10,534.14</b>
Exceptional items		-	-
Profit Before Tax		15,895.91	10,534.14
Income Tax Expense			
Current tax		3,558.14	2,268.80
Deferred tax		455.20	403.34
<b>Profit after tax for the Year</b>		<b>11,882.57</b>	<b>7,862.00</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(5.43)	20.23
Income tax relating to these items		1.37	(5.09)
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>(4.06)</b>	<b>15.14</b>
<b>Total comprehensive Income for the Year</b>		<b>11,878.51</b>	<b>7,877.14</b>
Earnings per equity share			
Basic and Diluted earnings per share		19.80	13.10

See accompanying notes forming part of  
the financial statements

(1 to 42)

In terms of our report attached

for Mittal Gupta & Co.  
Chartered Accountants  
Firm Registration 001874C

Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794

Place: Kanpur  
Date: 25.05.2022  
UDIN: 22073794AJYUPZ7685

For and on behalf of the Board of Directors

Sd/-  
Rathish Kumar Das  
Managing Director  
DIN: 09586463

Sd/-  
Sunil Kumar Bains  
Director (Commercial)  
DIN: 09053593

Sd/-  
Asheesh Agarwal  
Chief Financial Officer

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

Particulars	Year ended 31 March, 2022 (₹ in Lakhs)	Year ended 31 March, 2021 (₹ in Lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,895.91	10,534.14
Adjustments for:		
Depreciation and amortisation expense	2,384.53	1,956.70
Loss on sale of Property Plant and Equipments	0.17	1.26
Property Plant and Equipments Written Off	4.16	-
Finance costs	37.13	39.33
Excess Provision written back	(28.91)	(26.62)
Allowances for expected credit loss	110.19	10.79
Interest income from Financials Assets	(433.44)	(409.68)
<b>Operating profit before working capital changes</b>	<b>17,969.74</b>	<b>12,105.92</b>
<b>Adjustments for movement in working capital:</b>		
(Increase)/decrease in inventories	(25.38)	(1.71)
(Increase)/decrease in trade receivables	(1,142.21)	(1,106.25)
(Increase)/decrease in non current and other current financial Assets	(0.19)	(241.20)
(Increase)/decrease in non current and other current assets	(6.70)	2.03
Increase/(decrease) in trade payables	1,153.93	193.57
Increase/(decrease) in other financial current liabilities	896.49	740.05
Increase/(decrease) in other current liabilities	37.59	123.04
Increase/(decrease) in provisions	(48.84)	78.73
<b>Cash generated from/(used in) operations</b>	<b>18,834.43</b>	<b>11,894.18</b>
Net income taxes (paid)/refund	(3,561.32)	(2,013.97)
<b>Net cash flow from/(used in) operating activities</b>	<b>15,273.11</b>	<b>9,880.21</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Property Plant and Equipments & ROU	(11,545.53)	(7,764.15)
Sale of Property Plant and Equipments	0.31	0.37
Interest received from financial Assets	360.06	453.17
Changes in Fixed deposit with banks	(2,957.33)	(1,143.98)
<b>Net cash flow from/(used in) investing activities</b>	<b>(14,142.49)</b>	<b>(8,454.59)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,080.00)	(1,080.00)
Interest Paid	(5.16)	(5.47)
Payment of Long term Lease Liabilities	(58.41)	(244.46)
<b>Net cash flow from/(used in) financing activities</b>	<b>(1,143.57)</b>	<b>(1,329.93)</b>
Net increase/(decrease) in Cash and cash equivalents	(12.95)	95.69
Cash and cash equivalents as at the beginning of the year	536.87	441.18
<b>Cash and cash equivalents as at end of the year</b>	<b>523.92</b>	<b>536.87</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and bank balances as per Balance Sheet	523.92	536.87
Cash and cash equivalents as per Cash Flow Statement	<b>523.92</b>	<b>536.87</b>
Cash and cash equivalents at the end of the year		
(a) Cash on hand	25.37	20.83
(b) Balances with banks in current accounts	498.55	516.04
	<b>523.92</b>	<b>536.87</b>

**Note:** Disclosure requirement as per Ind AS 7(amended), Statement of Cash Flow, related to changes in liabilities arising from financing and investing activity is not applicable to the Company.

**See accompanying notes forming part of the financial statements**

1 to 42

**In terms of our report attached**

**for Mittal Gupta & Co.**  
**Chartered Accountants**  
**Firm Registration 001874C**

**Sd/-**  
**Bihari Lal Gupta**  
**Partner**  
**Membership No. 073794**

**Place: Kanpur**  
**Date: 25.05.2022**  
**UDIN: 22073794AJYUPZ7685**

**For and on behalf of the Board of Directors**

**Sd/-**  
**Rathish Kumar Das**  
**Managing Director**  
**DIN: 09586463**

**Sd/-**  
**Sunil Kumar Bains**  
**Director (Commercial)**  
**DIN: 09053593**

**Sd/-**  
**Asheesh Agarwal**  
**Chief Financial Officer**



# STATEMENT OF CHANGES IN EQUITY

## I) Equity Share Capital

	Amounts (₹ in Lakhs)
<b>Balance as at March 31, 2020</b>	6,000.00
Change in Equity shares Capital due to prior period errors	-
Restated balance at the beginning of the previous year	6,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	6,000.00
Change in Equity shares Capital due to prior period errors	-
Restated balance at the beginning of the current year	6,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2022</b>	<b>6,000.00</b>

## II) Other equity

	Reserves and surplus		Other Comprehensive Income	Total
	General Reserve	Retained earnings	Remeasurement of Defined Benefit Plan	
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
<b>Balance as at March 31, 2020</b>	<b>439.99</b>	<b>29,127.25</b>	-	<b>29,567.24</b>
Profit for the Year	-	7,862.00	-	7,862.00
Change in Accounting Policy or Prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Other Comprehensive Income /(loss) for the Year	-	-	15.14	15.14
Transfer to Retained Earning	-	15.14	(15.14)	-
Dividends	-	1,080.00	-	1,080.00
<b>Balance as at March 31, 2021</b>	<b>439.99</b>	<b>35,924.39</b>	-	<b>36,364.38</b>
Profit after tax for the Year	-	11,882.57	-	11,882.57
Change in Accounting Policy or Prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Other Comprehensive Income /(loss) for the Year	-	-	(4.06)	(4.06)
Transfer to Retained Earning	-	(4.06)	4.06	-
Dividends	-	1,680.00	-	1,680.00
<b>Balance as at March 31, 2022</b>	<b>439.99</b>	<b>46,122.90</b>	-	<b>46,562.89</b>

\*The Amount of Remeasurement of Defined Benefit Plan included in retained earning is as under:

As at March 31, 2020	(9.12)
As at March 31, 2021	6.02
As at March 31, 2022	1.96

In terms of our report attached

for Mittal Gupta & Co.  
Chartered Accountants  
Firm Registration 001874C

Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794

Place: Kanpur  
Date: 25.05.2022  
UDIN: 22073794AJYUPZ7685

For and on behalf of the Board of Directors

Sd/-  
Rathish Kumar Das  
Managing Director  
DIN: 09586463

Sd/-  
Sunil Kumar Bains  
Director (Commercial)  
DIN: 09053593

Sd/-  
Asheesh Agarwal  
Chief Financial Officer

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## 1 COMPANY OVERVIEW

Central U.P. Gas Limited (the 'Company') is a company limited by shares, domiciled in India and was incorporated on 25 February 2005 under erstwhile Companies Act, 1956. The equity shares of the company are not listed on any stock exchange. The registered office is located at 7th Floor, UPSIDC Complex, A 1/4 Lakhanpur, Kanpur -208024.

The Company is a joint venture between GAIL (India) Limited and Bharat Petroleum Corporation Limited. The Company's business comprises manufacturing of Compressed Natural Gas (CNG) and sale of Piped Natural Gas (PNG) and Compressed Natural Gas (CNG) and its distribution in the city area. The company is presently operating in Kanpur, Jhansi, Bareilly cities including adjoining areas in the state of Uttar Pradesh.

These financial statements of the Company for the year ended March 31, 2022 are approved and authorized for issue by the Company's Board of Directors on 25.05.2022.

## SIGNIFICANT ACCOUNTING POLICIES

### 2.1 i) Basis of accounting and preparation of financial statements

These Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended); and the other relevant provisions of the Act and rules there under. All the Ind AS issued and notified by the Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered for preparing these financial statements.

These financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarized below. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use. In those cases the new accounting policy is adopted in accordance with the transitional provisions stipulated in that Ind AS and in absence of such specific transitional provision, the same is adopted retrospectively for all the periods presented in these financial statements.

The financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value.

The management continues to monitor the economic effect of COVID-19, including recoverability of assets based on the current indicators of future economic conditions, and has taken steps to improve operational and financial efficiencies. The ultimate impact of the pandemic may be different from that presently estimated and would be recognized in the financial statements, if and when the material changes to the economic conditions arise.

The financial statements are presented in Indian Rupees ('₹') and all values are rounded to the nearest lakhs, except otherwise indicated.

### ii) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between purchase of natural gas and their realization in cash or cash equivalents, the company has determined its operation cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.2 Revenue recognition

### (i) Sale of Natural Gas and related activities

Revenue from the contracts with customers is recognized when control of goods and services are transferred to the customers at an amount that reflects the consideration to which the company is expected to be entitled in exchange for those goods or services. The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example indirect taxes). No element of financing is deemed to be

present as the credit term is not more than one year.

The company earns revenues primarily from sale of natural gas. Revenue is recognized on supply of gas to customers by metered/assessed measurements. The company has concluded that it is the principal in all its revenue arrangements since it is primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risk. Revenue from other related activities i.e. in respect of extra pipeline charged from the customers is recognized in the periods in which related cost is recognized as expense.

The transaction price is allocated by the company to each performance obligation (or distinct good or service) in an amount that depicts the amount of considerations to which it expects to be entitled in exchange for transferring the promised goods or services to the customer. For each obligation identified, the company determines at contract inception whether it satisfies the performance obligation over time or satisfies performance obligation at point in time. If an entity does not satisfy the performance obligation over time, performance obligation is satisfied at point in time. A receivable is recognized where the company's right to consideration is unconditional (i.e. only the passage of time is required before the payment of consideration is due).

When either of the parties to a contract has performed, the contract is presented in balance sheet as a contract asset as unbilled revenue or contract liability as advance from customers and income received in advance, depending on the relationship between the company's performance and the customer's payment.

## **(ii) Interest and dividend income**

Interest income is reported on accrual basis using effective interest method. Interest from customer on account of delayed payment is recognized on accrual basis. Dividends are recognized at the time the right to receive payment is established.

## **(iii) Liquidated damages**

Liquidated damages recovered from the suppliers/contractors are recognized on realization basis as income except for the damages which are charged for mitigating extra project cost to be incurred in respect of PPE and which will be capitalized as a part of the cost of PPE.

## **2.3 LEASES**

### **The Company as a lessee**

The Company's lease asset classes primarily consist of leases for Vehicles and Premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset

does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **The Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interest in the head lease and the sub lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## **2.4 Taxes on income**

Income tax expense comprises current tax and deferred tax. Current Tax is amount of tax for the period determined in accordance with the Income-tax Act, 1961. Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Such assets are reviewed at each balance sheet date to reassess realization. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Income tax expense comprises current tax and deferred tax. Current Tax is amount of tax for the period determined in accordance with the Income-tax Act, 1961. Current or deferred tax asset or liability is measured after considering the impact of uncertainty, if any, on the tax treatment of the transaction.

## **2.5 (a) Property, Plant and Equipment**

- i. Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any.
- ii. Property, Plant and Equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.
- iii. Gas distribution systems are commissioned when ready for commencement of supply of gas to consumer. In the case of commissioned assets where final payment to the contractors is pending, capitalization is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.
- iv. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.
- v. Spares which meet the definition of Property, Plant & Equipment (Whether as component or otherwise) and satisfy the recognition criteria, are capitalized with the cost of property, plant and equipment and depreciated over the useful life of the principal item of the relevant Property, Plant and Equipment. When significant parts of property, plant and equipment are required to be replaced on intervals, the company recognize the new

parts with own estimated useful life and it is depreciated accordingly. Likewise, when a major overhauling/repair is performed, its cost is recognized in the carrying amount of respective assets, if the recognition criteria are satisfied and depreciated over the remaining life of the asset or over the period of next overhauling due, whichever is earlier. Any remaining carrying amount of the cost of the previous overhaul is derecognized at the time of the overhauling. All other repairs and maintenance cost is recognized in the statement of profit and loss as and when incurred.

#### **(b) Intangible Assets**

Intangible assets like computer software/licenses which are expected to provide future enduring economic benefits are capitalized and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

#### **(c) Capital Work in Progress**

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective Property, Plant and Equipment. Capital Work in Progress also includes assets pending installation and not available for intended use.

### **2.6 Depreciation and amortization**

Depreciation is charged on a pro-rata basis on the straight line method at rates prescribed in Schedule II to the Companies Act, 2013, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.:

<b>A. Asset class</b>	<b>Depreciation</b>
<b>Tangible Property, Plant and Equipment</b>	
- Mother Compressors, Online Compressors and Booster Compressors (Forming part of plant and equipment)	10 years
- Other Plant and Machinery (Dispenser, Cascade, Meter & Regulator, DRS, MRS and Fittings)	15 years
- Pipeline (Forming part of plant and equipment)	25 Years
- Desktops, Laptops	3 years

Overhauling cost is depreciated over the remaining life of the respective asset or over the period till the next overhauling date, whichever is earlier.

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

#### **B. Intangible Assets**

Intangible assets comprising software and licenses are amortized on straight line method (SLM) over the useful life of five years. The residual values, useful lives and method of amortization of tangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **C. Right of Use Assets**

Rights of use assets are depreciated on straight line method (SLM) over the period of life of right of use assets or lease terms whichever expire earlier except in case of right of use assets, the ownership of which is proposed to be transferred to the company or the cost of such assets reflects that the company will exercise a purchase option, the same is depreciated on straight line method (SLM) over the useful life of the assets.

### **2.7 Financial Instruments**

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

## Financial assets

Financial assets are classified, at initial recognition, as financial assets measured at fair value (either through other comprehensive income or through profit or loss) or as financial assets measured at amortized cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

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

For all subsequent measurements financial assets are classified in following categories:

### Debt instruments

There are three measurement categories into which the company classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is recognized using the effective interest rate (EIR) method.
- **Fair Value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair Value through profit or loss (FVTPL):** A financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through the statement of profit and loss with all changes recognized in statement of profit and loss. Interest income from these financial assets is included in other income.

### Equity instruments

The company subsequently measures all equity investments at fair value, except for equity investments in subsidiary and associates where the Company has the option to either measure it at cost or fair value. Equity instruments held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity Instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### Impairment of financial assets

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note-31 details how company determines whether there has been significant increase in credit risk.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash flows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets
- The company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party.

When the company has transferred its rights to receive cash flow from an assets or has assumed an obligation to pay the



received cash flows to a third party, it evaluates if and to what extent it has retained the risk and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the assets nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the Company's continued involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

#### **Financial liabilities**

All financial liabilities are initially recognized at fair value and in case of loans and borrowings and payables, net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft.

Subsequent measurement of financial liabilities depends on their classification at fair value through Profit and loss (FVTPL) or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

#### **Derecognition**

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

#### **Offsetting of financial instruments**

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

### **2.8 Inventories**

- i. Stocks of CNG in cascades, Natural Gas in pipeline and Mak Lubes are valued at lower of cost or net realizable value. Cost is ascertained on First in First out (FIFO) basis and comprises of all cost of purchase, including taxes (other than those subsequently recoverable from the taxing authorities) and other cost incurred in bringing the inventory to its present location and condition. Closing stock of Natural Gas in pipelines and cascades is estimated on a volumetric basis.
- ii. Stores and Spares are valued at lower of cost computed on weighted average basis and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less applicable selling expenses.

### **2.9 Employee benefits**

Employee benefits include provident fund, employee state insurance, pension fund, gratuity fund and compensated absences.

#### **Defined contribution plans**

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in additions to its fixed contribution.

#### **Defined benefit plans**

The net liability or asset recognized in the balance sheet in respect of gratuity, a defined benefit plan, is the present value of defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Company contributes funds towards such liability and funds are invested in a scheme with Life Insurance Corporation of India as permitted by Indian Law. The present value of defined benefit obligations is

determined by discounting of estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligations. Service Cost and net interest on the net defined benefit liability (asset) is recognized in the statement of the profit and loss account. Remeasurement gains or losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Except in case of plan amendment, curtailment or settlement, the current service cost and net interest cost is calculated using actuarial assumptions and discount rate, respectively, determined at the start of the annual reporting period. In case of any plan amendment, curtailment or settlement during the period, the current service cost and net interest cost for the remainder of reporting period after such amendment, curtailment or settlement is determined using the actuarial assumptions and discount rate, respectively used to remeasure the net defined benefit liability (asset). The interest cost for the remainder of reporting period in such a case is determined on such remeasured net defined benefit liability (asset). Changes in the present value of defined benefit obligation resulting from plan amendment, curtailment or settlement, excluding the effect of differences due to actual and previous assumed salary increase and certain other effects as mentioned in Ind AS, are recognized immediately in the statement of profit and loss as past service cost.

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

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the periods when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. As per compensation earned compensated absence policy of the Company, the entitled unused compensated absences earned during a calendar year can be accumulated only for next calendar year and the maximum numbers of carried forward compensated absences at the end of each calendar year cannot exceed the number of entitled compensated absence. The company recognized the obligation in respect of accumulated paid absences at each balance sheet date at the amount of the additional payment that are expected to arise due to accumulated absences.

#### **2.10 Provisions and contingencies**

A provision is recognized in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Provisions are determined based on best estimate required to settle the obligations at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provisions are discounted to their present value, where the time value of money is material. Contingent liabilities are not recognized but are disclosed for

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligation arising out of past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

#### **2.11 Earnings per share**

Basic earnings per share is computed by dividing the profit for the year (before other comprehensive income), adjusted for the item of income or expenses which required to be recognised in statement of profit and loss account as per Ind AS but recognised in security premium or other reserves and other effects relating to preference shares, attributable to the equity shareholders by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding source in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year (before other comprehensive income) adjusted as aforesaid, attributable to the equity shareholders and weighted average number of equity shares outstanding during the year are adjusted for effect of all dilutive potential equity shares.

**2.12 Impairment of non - financial assets**

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

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

**2.13 Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

**2.14 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments", as applicable on the Company has been disclosed in the notes.

**2.15 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) and 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.

**2.16 Dividend Payable**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's board of directors. A corresponding amount is recognized directly in equity.

**2.17 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: -

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

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

**3.1 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

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

**i) Fair Value measurements and valuation process**

Some of the Company's assets and liabilities are measured or disclosed at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**ii) Estimation of defined benefit obligation**

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

**iii) Impairment of trade receivables**

The Company has a policy of ascertaining impairment, if any, as result of detailed scrutiny of major cases and through determining expected credit losses. Despite best estimates and periodic credit appraisals of customers, the Company's receivables are exposed to delinquency risks due to material adverse changes in business, financial or economic conditions that are expected to cause a significant change to the party's ability to meet its obligations. All such parameters relating to impairment or potential impairment are reviewed at each reporting date.

**iv) Estimation of current tax and deferred tax**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

**v) Useful life of depreciable/ amortizable assets**

The useful life of depreciable/amortizable assets is determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimations, the useful life is sensitive to the actual usage in future period.

**vi) Provision for litigations and contingencies**

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events, the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimating the ultimate outcome of such past events and measurement of the obligation amount.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 4. PROPERTY, PLANT AND EQUIPMENT

As at 31 March 2022

Particulars	Gross Carrying Amount				Accumulated Depreciation			Net Carrying Amount	
	As at 01.04.2021	Additions for the year	Sales/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the year	On sales/ adjustments	As at 31.03.2022	As at 31.03.2021
Freehold land	1,813.09	274.32	-	2,087.41	-	-	-	2,087.41	1,813.09
Buildings	763.23	5.09	-	768.32	164.63	29.37	-	574.32	598.60
Plant and equipment	36,764.37	10,986.16	5.05	47,745.48	6,975.67	2,255.55	0.89	38,515.15	29,788.70
Office Equipment	78.53	9.45	0.75	87.23	59.64	8.17	0.28	67.53	18.89
Furniture and fixtures	72.68	6.26	-	78.94	38.83	4.96	-	43.79	33.85
Computers	69.01	16.28	-	85.29	45.05	10.72	-	55.77	23.96
<b>Total</b>	<b>39,560.91</b>	<b>11,297.56</b>	<b>5.80</b>	<b>50,852.67</b>	<b>7,283.82</b>	<b>2,308.77</b>	<b>1.17</b>	<b>41,261.25</b>	<b>32,277.09</b>
Previous Year Total	32,390.86	7,174.57	4.52	39,560.91	5,536.16	1,750.54	2.88	32,277.09	26,854.70

**4.1.** Title deeds of all the immovable properties comprising of land and building are held in the name of the Company. In respect of lease-hold land and self-constructed buildings on leasehold land, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement, except in the following case:

#### Title deeds of immovable property not held in name of Company

As at March 31, 2022

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lakhs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Non-current assets (Property, plant and equipment)	Industrial Plot No. 137 and 137-A, Block H, Factory Area, Harihar Nath Shastri Nagar, Kanpur admeasuring 2600 sq. mts wherein 1400 sqm is in possession of GAIL and 1200 is with CUGL.	48.07	GAIL(INDIA) Limited (Pending registration)	Promoter	2005	Plot has been allotted by UPSRTC to M/S GAIL (India) Limited, however, the sale deed has not been executed. After execution of sale deed and registration, M/S GAIL will sub-lease the property to CUGL.

As at March 31, 2021

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Lakhs)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Non-current assets (Property, plant and equipment)	Industrial Plot No. 137 and 137-A, Block H, Factory Area, Harihar Nath Shastri Nagar, Kanpur admeasuring 2600 sq. mts wherein 1400 sqm is in possession of GAIL and 1200 is with CUGL.	48.07	GAIL(INDIA) Limited (Pending registration)	Promoter	2005	Plot has been allotted by UPSRTC to M/S GAIL (India) Limited, however, the sale deed has not been executed. After execution of sale deed and registration, M/S GAIL will sub-lease the property to CUGL.

**4.2** There are no proceedings against the company, that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 5. CAPITAL WORK IN PROGRESS

As at 31 March 2022

(₹ lakhs)

Particulars	As at 01.04.2021	Additions for the Year	Transfers during the year	As at 31.03.2022
WIP	2,830.27	12,559.45	10,893.89	4,495.83
Inventory of Capital Goods	3,156.39			2,394.59
<b>Total</b>	<b>5,986.66</b>	<b>12,559.45</b>	<b>10,893.89</b>	<b>6,890.42</b>
<b>As at 31 March 2021</b>				
Particulars	As at 01.04.2020	Additions for the Year	Transfers during the year	As at 31.03.2021
WIP	2,637.54	6,634.27	6,441.54	2,830.27
Inventory of Capital Goods	3,060.17			3,156.39
<b>Total</b>	<b>5,697.71</b>	<b>6,634.27</b>	<b>6,441.54</b>	<b>5,986.66</b>

#### 5.1 Ageing schedule of Capital-work-in progress:

Ageing schedule of Capital-work-in progress FY 2021-22

(₹ lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	4,429.67	38.26	12.51	15.39	4,495.83
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>4,429.67</b>	<b>38.26</b>	<b>12.51</b>	<b>15.39</b>	<b>4,495.83</b>
<b>Ageing schedule of Capital-work-in progress FY 2020-21</b>					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	2,680.90	111.86	-	37.51	2,830.27
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,680.90</b>	<b>111.86</b>	<b>-</b>	<b>37.51</b>	<b>2,830.27</b>

#### 5.2 - Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan -

FY 2021-22

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
<b>FY 2020-21</b>					
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	



### 5.3 - Details of Project Suspended NIL

### 6. (a) OTHER INTANGIBLE ASSETS As at 31 March 2022

As at 31 March 2022										(₹ lakhs)
Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount			
	As at 01.04.2021	Additions for theYear	Sales/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the year	On sales/ adjustments	As at 31.03.2022	As at 31.03.2021	
Computer software/license	81.12	-	-	81.12	53.13	11.58	-	64.71	16.41	
<b>Total</b>	<b>81.12</b>	<b>-</b>	<b>-</b>	<b>81.12</b>	<b>53.13</b>	<b>11.58</b>	<b>-</b>	<b>64.71</b>	<b>27.99</b>	
Previous Year Total	81.12	-	-	81.12	41.05	12.08	-	53.13	27.99	
									40.07	

### 6. (b) Intangible Asset under development

Particulars	As at 01.04.2021		Additions for theYear	Transfers during the year	As at 31.03.2022	
	As at 01.04.2021	As at 31.03.2022			As at 31.03.2022	As at 31.03.2021
Computer Software (SAP) under implementation	-	-	181.05	-	-	181.05
<b>Total</b>	<b>-</b>	<b>-</b>	<b>181.05</b>	<b>-</b>	<b>-</b>	<b>181.05</b>
Previous Year Total	-	-	-	-	-	-

### 6. (b).1 Ageing schedule of Intangible Asset under development FY 2021-22:

Intangible Asset under development	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Projects in progress	181.05	-	-	-	181.05
<b>Total</b>	<b>181.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181.05</b>

### 6. (c) RIGHT OF USE ASSETS (ROU)

As at 31 March 2022

As at 31 March 2022		Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		(₹ lakhs)
Particulars	As at 01.04.2021	Additions for theYear	Sales/ Adjustments	As at 31.03.2022	As at 01.04.2021	For the year	On sales/ adjustments	As at 31.03.2022	As at 31.03.2021	
Lease Hold-Land	81.13	-	-	81.13	3.51	1.01	-	4.52	76.61	77.62
Hooking Up Facility	144.09	-	-	144.09	32.29	14.41	-	46.70	97.39	111.80
Premises	134.48	-	-	134.48	54.65	27.70	-	82.35	52.13	79.83
Vehicles	52.63	-	-	52.63	21.04	21.06	-	42.10	10.53	31.59
<b>Total</b>	<b>412.33</b>	<b>-</b>	<b>-</b>	<b>412.33</b>	<b>111.49</b>	<b>64.18</b>	<b>-</b>	<b>175.67</b>	<b>236.66</b>	<b>300.84</b>
Previous Year Total	1,030.86	53.84	672.37	412.33	243.80	194.08	326.39	111.49	300.84	787.06

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 7. Financial assets

#### (a) Trade Receivables

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Trade Receivables</b>		
- from related party	440.88	375.27
- from others ( Includes Unbilled Revenue ₹ 194.81 Lakhs (P.Y. ₹ 330.90 Lakhs)*)	4,407.71	3,331.11
Less: Provision for expected credit Loss	(152.01)	(41.82)
<b>Total receivables</b>	<b>4,696.58</b>	<b>3,664.56</b>
Current portion	4,696.58	3,664.56
Non-current portion	-	-
<b>Break-up of security details</b>		
<b>Particulars</b>	<b>March 31, 2022 (₹ in Lakhs)</b>	<b>March 31, 2021 (₹ in Lakhs)</b>
Trade Receivables Secured, considered good	3,434.55	2,612.88
Trade Receivables Unsecured, considered good	1,402.46	1,083.48
Trade Receivables which has significant increase in credit risk	-	-
Trade Receivables Unsecured, credit impaired	11.58	10.02
<b>Total</b>	<b>4,848.59</b>	<b>3,706.38</b>
Provision for expected credit Loss	(152.01)	(41.82)
<b>Total trade receivables</b>	<b>4,696.58</b>	<b>3,664.56</b>

### 7. (a) (i): Trade Receivables ageing schedule

#### Trade Receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following Periods from due date of payments						Total
	Not due/ Demanded	Less than 6 Month	6 months to 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables – Considered good	2,479.91	1,191.15	357.96	389.48	210.27	13.43	4,642.20
Undisputed Trade receivables – which has significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – Credit impaired	-	-	-	-	-	11.58	11.58
Disputed Trade receivables – Considered good	-	-	-	-	-	-	-
Disputed Trade receivables – Which has significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – Credit impaired	-	-	-	-	-	-	-
Unbilled Revenue*	194.81	-	-	-	-	-	194.81
<b>Sub Total</b>	<b>2,674.72</b>	<b>1,191.15</b>	<b>357.96</b>	<b>389.48</b>	<b>210.27</b>	<b>25.01</b>	<b>4,848.59</b>
Less: Allowance for credit loss	-	-	-	-	-	-	(152.01)
<b>Total</b>							<b>4,696.58</b>

#### Trade Receivables ageing schedule as at March 31, 2021

Particulars	Outstanding for following Periods from due date of payments						Total
	Not due	Less than 6 Month	6 months to 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables – Considered good	972.31	1673.11	314.82	262.68	72.28	70.26	3,365.46
Undisputed Trade receivables – which has significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables – Credit impaired	-	-	-	-	-	10.02	10.02
Disputed Trade receivables – Considered good	-	-	-	-	-	-	-
Disputed Trade receivables – Which has significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – Credit impaired	-	-	-	-	-	-	-
Unbilled Revenue*	330.90	-	-	-	-	-	330.90
<b>Sub Total</b>	<b>1,303.21</b>	<b>1,673.11</b>	<b>314.82</b>	<b>262.68</b>	<b>72.28</b>	<b>80.28</b>	<b>3,706.38</b>
Less: Allowance for credit loss	-	-	-	-	-	-	41.82
<b>Total</b>							<b>3,664.56</b>

**(b) Other financial assets**

	March 31, 2022 (₹ in Lakhs)		March 31, 2021 (₹ in Lakhs)	
	Current	Non-current	Current	Non-current
Security deposits				
-To related parties	-	8.10	-	8.10
-To others	10.63	13.36	10.63	13.17
Balances with banks in fixed deposits with original maturity of more than twelve months (unencumbered)	4,837.05	773.85	1,951.21	2,219.36
In Deposit held as security or margin against guarantees	0.85	53.70	-	5.72
Interest accrued				
-To related parties	-	3.44	-	3.76
-To others	262.27	18.75	163.71	43.61
<b>Total other financial assets</b>	<b>5,110.80</b>	<b>871.20</b>	<b>2,125.55</b>	<b>2,293.72</b>

**(c) Cash and cash equivalents**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Cash and cash equivalents		
(i) Bank Balance in current accounts	498.55	516.04
(ii) Cash on hand	25.37	20.83
<b>Total cash and cash equivalents</b>	<b>523.92</b>	<b>536.87</b>

**(d) Bank Balances Other than cash and cash equivalents**

Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
(i) Balances with banks in fixed deposits with original maturity of less than twelve months	5,607.70	4,122.76
(ii) In Deposit held as security or margin against guarantees	5.38	22.15
<b>Total Other Bank balances</b>	<b>5,613.08</b>	<b>4,144.91</b>

**8. Inventories**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Finished goods	42.45	17.07
<b>Total inventories</b>	<b>42.45</b>	<b>17.07</b>

**9. (a) Other Current Assets**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Prepaid expenses	39.36	26.56
Balances with government authorities	10.81	18.52
<b>Others:</b>		
- Advance to others	17.56	16.33
- Advance to Related Parties	1.64	1.26
<b>Total other current assets</b>	<b>69.37</b>	<b>62.67</b>

**9. (b) Income-tax Assets**

	<b>March 31, 2022</b> (₹ in Lakhs)	<b>March 31, 2021</b> (₹ in Lakhs)
Advance tax	188.93	194.57
Income Tax paid under Protest	18.39	18.39
<b>Total Income-tax Assets</b>	<b>207.32</b>	<b>212.96</b>

**9. (c) Other Non Current Assets**

	<b>March 31, 2022</b> (₹ in Lakhs)	<b>March 31, 2021</b> (₹ in Lakhs)
Excise duty paid under protest	61.93	61.93
Capital Advance :		
-To related Party	345.74	345.74
-To Others	18.75	290.78
<b>Total other non current assets</b>	<b>426.42</b>	<b>698.45</b>

**10. SHARE CAPITAL**

	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Number of shares</b>	<b>(₹ in lakhs)</b>	<b>Number of shares</b>	<b>(₹ in lakhs)</b>
(a) Authorised Equity Shares of ₹ 10/- each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
(b) Issued, Subscribed and Fully Paid up Equity Shares of ₹ 10/- each	6,00,00,000	6,000.00	6,00,00,000	6,000.00

10.1 The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

10.2 Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

	<b>For the year ended March 31, 2022</b>		<b>For the year ended March 31, 2021</b>	
	<b>Number of shares</b>	<b>(₹ in lakhs)</b>	<b>Number of shares</b>	<b>(₹ in lakhs)</b>
<b>Authorised</b>				
<i>Equity shares:</i>				
Shares outstanding at the beginning of the year	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Shares change during the year	-	-	-	-
Shares outstanding at the end of the year	<b>6,00,00,000</b>	<b>6,000.00</b>	<b>6,00,00,000</b>	<b>6,000.00</b>

	<b>For the year ended March 31, 2022</b>		<b>For the year ended March 31, 2021</b>	
	<b>Number of shares</b>	<b>(₹ in lakhs)</b>	<b>Number of shares</b>	<b>(₹ in lakhs)</b>
<b>Issued, Subscribed and Fully Paid up</b>				
<i>Equity shares:</i>				
Shares outstanding at the beginning of the year	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>6,00,00,000</b>	<b>6,000.00</b>	<b>6,00,00,000</b>	<b>6,000.00</b>

**10.3 Details of shares held by each shareholder holding more than 5% shares:**

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Indraprastha Gas Limited	3,00,00,000	50.00%	3,00,00,000	50.00%
Bharat Petroleum Corporation Limited	1,49,99,600	24.99%	1,49,99,600	24.99%
GAIL (India) Limited*	1,50,00,000	25.00%	1,50,00,000	25.00%

\* Including joint holder with GAIL (India) Limited

**10.4 Shares held by promoters at the end of the year:**

Particulars	March 31, 2022		March 31, 2021		% change during the year
	No. of shares	% holding	No. of shares	% holding	
<b>Equity share of ₹10 each fully paid-up</b>					
Bharat Petroleum Corporation Limited	1,49,99,600	24.99%	1,49,99,600	24.99%	-
GAIL (India) Limited*	1,50,00,000	25.00%	1,50,00,000	25.00%	-

**10.5 Information regarding issue of shares in the last five years**

- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy back of shares.

**11. Reserves and surplus**

Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
(a) General reserve:		
Opening balance	439.99	439.99
Add: Addition during the year	-	-
<b>Closing balance</b>	<b>439.99</b>	<b>439.99</b>
(b) Surplus in Statement of Profit and Loss:		
Opening balance	35,924.39	29,127.25
Add:		
Profit after tax for the year	11,882.57	7,862.00
Transfer from Other comprehensive income	(4.06)	15.14
Less:		
- Dividends distributed to equity shareholders *	1,680.00	1,080.00
<b>Closing balance</b>	<b>46,122.90</b>	<b>35,924.39</b>
<b>Other Comprehensive Income</b>		
Opening balance	-	-
Add: Other Comprehensive Income for the Year	(4.06)	15.14
Less: Transfer to Retained Earning	4.06	(15.14)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Total reserves and surplus</b>	<b>46,562.89</b>	<b>36,364.38</b>
<b>*Detail of Dividend declared by the Company</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>
Final Dividend for FY 2019-20 (₹ 1.80 per Share)	-	1,080.00
Final Dividend for FY 2020-21 (₹ 1.80 per Share)	1,080.00	-
Interim Dividend for FY 2021-22 (₹ 1.00 per Share)	600.00	-
<b>Total</b>	<b>1,680.00</b>	<b>1,080.00</b>

**Note:**

- The general reserve represents amount kept by the Company out of its profits for future purposes
- Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company.
- Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain / (loss) of defined benefit obligation. This would not be re-classified to Statement of Profit and Loss.

## 12. DEFERRED TAX LIABILITIES (NET)

The balance comprises temporary differences attributable to:

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Deferred tax liabilities On:</b>		
Difference between book balance and tax balance of Property plant & equipment	2,482.13	1,987.82
Other	15.59	15.59
	<b>2,497.72</b>	<b>2,003.41</b>
<b>Deferred tax Assets</b>		
Other	39.88	12.44
Provision for Employee Benefit	40.20	27.16
	<b>80.08</b>	<b>39.60</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>2,417.64</b>	<b>1,963.81</b>

### Movement in Deferred Tax Liabilities

Particulars	Difference between book balance and tax balance of Property Plant and Equipments	Provision for Employee Benefit	Other	Total
	(₹ in Lakhs)	(₹ in Lakhs)		(₹ in Lakhs)
<b>At March 31, 2021</b>	<b>1,987.82</b>	<b>(27.16)</b>	<b>3.15</b>	<b>1,963.81</b>
(Charged)/credited:				
- to profit or loss	494.31	(11.67)	(27.44)	<b>455.20</b>
- to other comprehensive income	-	(1.37)	-	<b>(1.37)</b>
<b>At March 31, 2022</b>	<b>2,482.13</b>	<b>(40.20)</b>	<b>(24.29)</b>	<b>2,417.64</b>

Particulars	Difference between book balance and tax balance of Property Plant and Equipments	Provision for Employee Benefit	Other	Total
	(₹ in Lakhs)	(₹ in Lakhs)		(₹ in Lakhs)
<b>At March 31, 2020</b>	<b>1,585.14</b>	<b>(26.69)</b>	<b>(3.07)</b>	<b>1,555.38</b>
(Charged)/credited:				
- to profit or loss	402.68	(5.56)	6.22	403.34
- to other comprehensive income	-	5.09	-	5.09
<b>At March 31, 2021</b>	<b>1,987.82</b>	<b>(27.16)</b>	<b>3.15</b>	<b>1,963.81</b>

## 13. (a) Trade Payables

Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Current</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	185.32	94.89
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related parties	1,463.70	509.85
- Payable to others	119.20	218.35
- Unbilled Expense	771.58	607.78
<b>Total trade payables</b>	<b>2,539.80</b>	<b>1,430.87</b>



**13. (a)1: Trade Payables ageing schedule**

(₹ in Lakhs)

Trade Payables Ageing Schedule as at March 31, 2022	Outstanding for following Periods from due date of payments					
	Not Due/Hold	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
MSME	185.32	-	-	-	-	185.32
Other	62.23	1,520.67	-	-	-	1,582.90
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	-	-
Unbilled Expense	771.58	-	-	-	-	771.58
<b>Total</b>	<b>1,019.13</b>	<b>1,520.67</b>	-	-	-	<b>2,539.80</b>

(₹ in Lakhs)

Trade Payables Ageing Schedule as at March 31, 2021	Outstanding for following Periods from due date of payments					
	Not Due/Hold	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
MSME	94.89	-	-	-	-	94.89
Other	177.17	576.52	-	-	-	753.69
Disputed Dues -MSME	-	-	-	-	-	-
Disputed Dues -Other	-	-	-	-	-	-
Unbilled Expense	607.78	-	-	-	-	607.78
<b>Total</b>	<b>879.84</b>	<b>576.52</b>	-	-	-	<b>1,456.36</b>

**13. (b) Other financial liabilities**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
(i) Payables on purchase of Property Plant and Equipments	1,953.25	1,417.34
(ii) Trade/security deposits received	5,131.04	4,154.39
(iii) Accrued Employees Benefits	116.21	193.63
(iv) Net Gratuity Liabilities	106.83	80.70
(v) Unpaid dividend	540.00	-
<b>Total other current liabilities</b>	<b>7,847.33</b>	<b>5,846.06</b>

**14. Provisions**

	March 31, 2022 (₹ in Lakhs)		March 31, 2021 (₹ in Lakhs)	
	Current	Non-current	Current	Non-current
<b>Provision for employee benefits</b>				
For compensated absences	51.36	-	25.49	-
<b>Provision for unspent CSR Expenses</b>	-	-	74.71	-
<b>Total</b>	<b>51.36</b>	-	<b>100.20</b>	-

**15. Current tax liabilities**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Current tax payable	3,556.00	2,271.11
Less: Advance Taxes paid	3,391.32	2,121.11
<b>Closing balance</b>	<b>164.68</b>	<b>150.00</b>

**16 Other current liabilities**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>(a) Other payables</b>		
(i) Statutory dues	328.80	176.43
(ii) Income received in advance	34.37	61.44
(iii) Advance received from customers	85.97	113.68
<b>Total other current liabilities</b>	<b>449.14</b>	<b>351.55</b>

## 17 Revenue from operations

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Sale of products (including excise duty)	50,060.81	29,127.77
Other operating revenue	896.59	351.72
<b>Total revenue</b>	<b>50,957.40</b>	<b>29,479.49</b>
<b>Note:</b>		
<b>Sale of products comprises</b>		
Compressed Natural Gas (CNG)	31,157.81	19,077.91
Piped Natural Gas (PNG)	18,902.85	10,049.64
Mak Lubes	0.15	0.22
<b>Total</b>	<b>50,060.81</b>	<b>29,127.77</b>

## 18 Other income

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Interest income from financial assets	433.44	409.68
Interest from customers	170.24	139.67
Interest from others	0.02	0.37
Other Non Operating Income	183.46	153.83
<b>Total other income</b>	<b>787.16</b>	<b>703.55</b>

## 19 Purchases

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Natural Gas	23,500.22	10,753.65
Mak Lubes	0.12	0.19
<b>Total Purchases</b>	<b>23,500.34</b>	<b>10,753.84</b>

## 20 Changes in inventories of finished goods

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Opening balance</b>		
Finished goods	17.07	15.36
<b>Total opening balance</b>	<b>17.07</b>	<b>15.36</b>
<b>Closing balance</b>		
Finished goods	42.45	17.07
<b>Total closing balance</b>	<b>42.45</b>	<b>17.07</b>
<b>Total changes in inventories of finished goods, Stock-in - Trade and work-in-progress</b>	<b>(25.38)</b>	<b>(1.71)</b>

**21 Employee Benefit Expense**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Salaries and wages	860.57	837.62
Contribution to provident fund and other fund	50.76	44.02
Gratuity Liability	15.54	16.22
Secondment Expense	198.41	175.62
Staff welfare expenses	25.12	12.98
<b>Total employee benefit expense</b>	<b>1,150.40</b>	<b>1,086.46</b>

**22 Depreciation and Amortisation Expense**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Depreciation of property, plant and equipment	2,308.77	1,750.54
Amortisation of intangible assets	11.58	12.08
Amortisation of Right of use assets	64.18	194.08
<b>Total depreciation and amortisation expense</b>	<b>2,384.53</b>	<b>1,956.70</b>

**23 Finance Cost**

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Interest on Lease liability	8.47	33.86
Interest on Gratuity Liability (Net)	5.16	5.47
Other Interest	23.50	-
<b>Total Interest Cost on lease liability</b>	<b>37.13</b>	<b>39.33</b>

**24 Other Expenses**

Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Operation and maintenance of CNG Stations, PNG & others	2,489.32	1,853.15
Power, fuel and water charges	566.92	339.15
Advertisement and publicity	169.54	109.83
Short term lease /low value item lease expenses	52.96	22.43
Repair and maintenance		
(i) Building	26.73	0.20
(ii) Computers	42.50	6.81
(iii) Plant and machinery	320.55	263.19
(iv) Others	44.50	43.78
Vehicle hiring and running expenses	41.33	43.64
Rates and taxes	58.20	41.14
Bank Charges	33.40	16.78
Communication expenses	27.81	24.61
Insurance expenses	60.97	51.16
Legal and professional charges	72.32	31.01
Loss on sale of Property Plant and Equipments	0.17	1.26
Meeting, seminar and training expenses	18.03	7.92
Office Administration Charges	119.86	115.74
Printing and stationery	10.98	9.84
Recruitment expenses	2.15	1.59
Security expenses	156.85	167.42
Director's sitting fee	9.90	8.90
Travelling expenses	27.92	25.42
Public Relation	40.12	33.91
PNGRB Bidding Expenses	132.24	-
Property Plant and Equipments Written Off	4.16	-
Provision for expected credit loss	110.19	10.79
Fright, Packing, Loading & Unloading Charges	16.43	10.97
Miscellaneous expenses	37.66	32.61
<b>Other Expenses</b>	<b>4,693.71</b>	<b>3,273.25</b>

	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>Note:</b>		
Legal and Professional charges includes auditor's remuneration Under:		
Statutory audit fees	6.50	6.50
Tax audit fees	1.00	1.00
Quarterly Financial Review	3.00	3.00
Reimbursement of expenses	1.05	1.05
GST on above	2.08	2.08
<b>Total</b>	<b>13.63</b>	<b>13.63</b>

**25 CONTINGENT LIABILITIES:**

S.No. Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
<b>i. Demand Being Disputed by the Company</b>		
a) Excise Duty Demands	853.77	853.77
b) Income Tax Demand	13.83	13.83
<b>ii. Claims against the Company not acknowledged as Debt</b>		
a) Other Liabilities	510.39	752.00
<b>iii. Outstanding Bank Guarantee</b>	<b>2316.45</b>	<b>2173.84</b>

iv. Income tax demands have been raised by department on account of disallowance of claim of additional depreciation U/s 32 (1) (ii a) of the income tax act since A. Y. 2008-09. The company claim of additional depreciation has been upheld by Honorable Allahabad High court for A. Y. 2008-09. The department has preferred appeal before Supreme court against the decision of the High court. However Supreme Court has dismissed the Appeal on the basis of monetary limits.

v. The department of custom and Excise has raised demands of Rs. 30.75 lakhs (PY Rs. 30.75 lakhs) for certain period on account of levy of excise duty on bulk discount given to retails outlet on sale of CNG and of Rs. 823.02 Lakhs for certain period on account of levy of duty on the value of exempted services under Rule 6 (3) (i) of Cenvat Credit Rule, 2004. The company has preferred appeal against the aforesaid demands.

**vi. Denovo Study for Trade Margin for CNG with OMC's**

Vide letter reference no M-12020 (11)/5/2021-OMC-PNG dated 01.11.2021, Ministry of Petroleum and Natural Gas has directed to consider as appropriate for the implementation of Denovo Study Recommendations and trade margin payable to Oil Marketing Companies (OMC's) by City Gas Distribution Companies (CGD). This study had recommended revised trade margins effective from FY 2019-20, however, OMC's are demanding this revision from 01.12.2021. The subject matter is under discussion with OMC's and CGD's.

Since as per the terms of the existing agreements which are valid as on March 31, 2022, OMCs are not entitled to change the trade margins with retrospective effects and accordingly not raised any issue for revising trade margins with retrospective effects from FY 2019-20. In the opinion of the management there is remote chance of crystallization of any liability on account of revision in trade margins effective from FY 2019-20 till November 2021.

**vii. Performance Bank Guarantee to PNGRB**

Petroleum and Natural Gas Regulatory Board (PNGRB) has issued license/ authorization for operating and expanding City Gas Distribution (CGD) network in the geographical area of Kanpur, Bareilly and Jhansi cities of Uttar Pradesh with a stipulation of Minimum Work Program (MWP) for creation of infrastructure development to be achieved over the periods. The failure to achieve the committed MWP may result in imposition of penalties by PNGRB. The Company has submitted performance bank guarantees aggregating to Rs. 1350 Lakhs as security for the same.

The details of revised committed MWP to PNGRB by the Company and its achievement as on March 31, 2022 are as under:

GA Name	MWP Parameters	PNGRB MWP Targets	Achievement as on March 31, 2022	
Kanpur	Compression Capacity (Kg/Day)	3,20,000	609371	190%
	Inch-Km of Steel P/L	788.52	658.61	84%
	Domestic PNG Connections (Nos.)	70,035	114461	163%
Bareilly	Compression Capacity (Kg/Day)	96,000	1,66,576	174%
	Inch-Km of Steel P/L	356	270.71	76%
	Domestic PNG Connections (Nos.)	27,500	48846	178%
Jhansi	Inch-Km of Steel P/L	71.92	73.28	102%
	Domestic PNG Connections (Nos.)	11,000	8431	77%

The company has been representing with PNGRB with required details in terms of GA allocation & status of progress. The Company has been able to achieve most of the MWP parameters. However, few are in process and required steps are being taken for 100% accomplishment. The company has also been regularly appraising PNGRB about the reasons for non-achievement of committed MWP within the stipulated times and the same has been duly considered by them.

Based on above and considering the fact that most of the MWP parameters have been achieved, the management estimates that there is remote chance of devolvement of any material liability on the Company on account of non-fulfilment of committed MWP.

#### viii. GAIL Claims

During FY 2019-20, the company had received claim letters from GAIL (India) Limited raising demand of Rs. 510.39 Lakhs as "Pay for If not taken" liability claim in respect of shortfall in the purchased quantity of RLNG gas as compared to the contracted quantity. The company had made representation before the GAIL disputing the liability and the same is under negotiation. Based on the past experience and ongoing negotiation with the party, the management estimates that there is a remote chance of imposition of aforesaid penalty and consequent outflow of Company's resources and accordingly no provision for the same is required at present. For F.Y. 2020-21 and 2021-22, demand against "Pay for If not taken" liability post mitigation proceeds is not received from GAIL.

The amount shown above represents the best possible estimates arrived on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal process which have been invoked by the Company or the claimants as the case may be, therefore it cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome.

#### 26 Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 9657.09 Lakhs (Previous year Rs. 8722.93 Lakhs).

#### 27 Disclosure relating to Corporate Social Responsibility (CSR)

The disclosure in respect of CSR expenditure for the FY 2021-22 and 2020-21 are as under:

S.No.	Particulars	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
1	As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the Company	183.63	159.74
2	Amount spent during the year		
i.	Construction/Acquisition of any Asset		
	-In Cash	11.03	28.10
	-Yet to be paid in Cash	1.05	-
ii.	On purpose other than (i) above		
	-In Cash	163.47	55.80
	-Yet to be paid in Cash	8.08	1.14

Various heads which the CSR expenditure were incurred in cash is de tailed as follows:-

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	2021-2022 (₹ in Lakhs)	2020-2021 (₹ in Lakhs)
(a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Clause (i)	136.51	46.94
(b) Promoting education, including special education and employment enhancing vocational training and livelihood enhancement project	Clause (ii)	40.25	21.93
(c) promoting gender equality and empowering women	Clause (iii)	-	-
(d) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;	Clause (v)	-	0.75
(e) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;	Clause (viii)	-	10.00
(f) rural development projects]	Clause (x)	-	-

(g) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Clause (iv)	1.87	5.42
(h) Training to promote rural sports, nationally recognized sports, Paralympic sports and olympic sports	Clause (vii)	5.00	-
<b>Total</b>		<b>183.63</b>	<b>85.04</b>

**Details of Unspent amount under Section 135 (5) -**

Opening Balance	Amount deposited in specified fund of Sch VII within Six months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
74.71	74.71	183.63	183.63	-

**Details of Excess amount spent under Section 135 (5) -**

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
<b>NIL</b>			

**Details of Ongoing Projects along with-**

In case of S. 135(6) (Ongoing Project) (to be given year-wise)					
Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance		
With Company	In Separate CSR Unspent A/c	From Company's Bank Account	From Separate CSR Unspent Account	From Company's Bank Account	From Separate CSR Unspent Account
<b>NIL</b>					

\*Aforesaid amount will be utilized as per the applicable provisions of the Companies Act.

**28** Following are the relevant disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006('MSMED Act')

S.No.	Description	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year	185.32	94.89
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
(ii)	The amount of interest paid by the Company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	-	-
(iv)	The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	-	-
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-
(vi)	The amount of further interest remaining due and payable even in succeeding years	-	-

**29 Employee benefit obligations**
**(i) Defined contribution plans**

The Company makes Provident Fund contribution, which is defined contribution plans for qualifying employees. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is Rs. 50.76 lakhs (March 31, 2021: Rs. 44.02 lakhs)



**(ii) Compensated absences**

The Company recognized expenses amounting to Rs. 28.36 Lakhs (March 31, 2021: Rs. 23.40 Lakhs) towards its obligations for the accumulated paid absences outstanding at the end of the year.

**(iii) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company has purchased an insurance policy to provide for payment of gratuity of employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

	<b>Present value of obligation (₹ in Lakhs)</b>	<b>Fair value of plan assets (₹ in Lakhs)</b>	<b>Net amount (₹ in Lakhs)</b>
<b>April 01, 2020</b>	<b>114.98</b>	<b>35.07</b>	<b>79.91</b>
Current service cost	16.22	-	16.22
Interest expense/(income)	7.87	2.40	5.47
Employer Contribution	-	0.68	(0.68)
Past Service Cost	-	-	-
<b>Total amount recognized in profit or loss</b>	<b>24.09</b>	<b>3.08</b>	<b>21.01</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.90)	0.90
(Gain)/loss from change in demographic assumptions	2.58	-	2.58
(Gain)/loss from change in financial assumptions	(16.84)	-	(16.84)
Experience (gains)/losses	(6.86)	-	(6.86)
<b>Total amount recognized in other comprehensive income</b>	<b>(21.12)</b>	<b>(0.90)</b>	<b>(20.22)</b>
Employer contributions	-	-	-
Benefit payments	(4.59)	(4.59)	-
<b>March 31, 2021</b>	<b>113.36</b>	<b>32.66</b>	<b>80.70</b>
<b>April 01, 2021</b>	<b>113.36</b>	<b>32.66</b>	<b>80.70</b>
Current service cost	15.54	-	15.54
Interest expense/(income)	7.25	2.09	5.16
Employer Contribution	-	-	-
Past Service Cost	-	-	-
<b>Total amount recognized in profit or loss</b>	<b>22.79</b>	<b>2.09</b>	<b>20.70</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(1.78)	1.78
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(4.62)	-	(4.62)
Experience (gains)/losses	8.27	-	8.27
<b>Total amount recognized in other comprehensive income</b>	<b>3.65</b>	<b>(1.78)</b>	<b>5.43</b>
Employer contributions	-	-	-
Benefit payments	(17.39)	(17.39)	-
<b>March 31, 2022</b>	<b>122.41</b>	<b>15.58</b>	<b>106.83</b>

	<b>March 31, 2022</b> (₹ in Lakhs)	<b>March 31, 2021</b> (₹ in Lakhs)
Present value of funded obligations	122.41	113.36
Fair value of plan assets	(15.58)	(32.66)
<b>(Surplus)/Deficit of funded plan</b>	<b>106.83</b>	<b>80.70</b>
Unfunded plans	-	-
<b>(Surplus)/Deficit before asset ceiling</b>	<b>106.83</b>	<b>80.70</b>

**(iii) Effect of asset ceiling**

Based on Company's gratuity trust's arrangement with LIC of India, the benefit relating to net defined benefit asset shall be available to the Company in full in form of reduction in future contributions.

**(v) Post-Employment benefits and other long-term employee benefits**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

<b>Gratuity</b>		
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Discount rate	6.90%	6.40%
Salary growth rate	6.00%	6.00%
Remaining working life	22.90	24.16
Withdrawal rate based on age: (per annum)		
Up to 30 years	8.00%	8.00%
31 – 44 years	10.00%	10.00%
Above 44 years	10.00%	10.00%
Mortality Table	standard table – Indian Assured Lives Mortality (2012-14)	standard table – Indian Assured Lives Mortality (2012-14)

**(vi) Sensitivity analysis**

Gratuity is lumpsum plan and the cost of providing the benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the changes in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption-

<b>Impact on defined benefit obligation</b>						
	<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Gratuity</b>						
Discount rate	(- / + 1%)	(- / + 1%)	-6.90%	-7.30%	7.80%	8.30%
Salary growth rate	(- / + 1%)	(- / + 1%)	7.10%	7.70%	-6.70%	-7.30%
Attrition Rate	50% of the Attrition assumption	50% of the Attrition assumption	1.30%	0.20%	-2.70%	-0.80%
Mortality	10% of the Mortality assumption	10% of the Mortality assumption	0.00%	0.00%	0.00%	0.00%

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

The method and types of assumption used in preparing the sensitivity analysis did not changed compared to prior period.

(vii) The major categories of plans assets are as follows:

	March 31, 2022		March 31, 2021	
	Amount (₹ in Lakhs)	in %	Amount (₹ in Lakhs)	in %
Fund managed by insurer	15.58	100%	32.66	100%
<b>Total</b>	<b>15.58</b>	<b>100%</b>	<b>32.66</b>	<b>100%</b>

**(viii) Risk exposure**

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

**Interest rate risk:** The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Salary escalation risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Expected contributions to post-employment benefit plans for the next financial Year is INR 121.43lakhs

The weighted average duration of the defined benefit obligation is 8 years. The expected maturity analysis of gratuity and other long-term employment benefits (Leave obligation) is as follows:

(₹ in Lakhs)

	1 year	2-5 years	6-10 years	More than 10 years	Total
<b>March 31, 2022</b>					
Defined benefit obligation (Gratuity)	13.39	50.45	62.71	98.39	224.94
<b>Total</b>	<b>13.39</b>	<b>50.45</b>	<b>62.71</b>	<b>98.39</b>	<b>224.94</b>
<b>March 31, 2021</b>					
Defined benefit obligation (Gratuity)	11.80	44.72	49.94	98.40	204.86
<b>Total</b>	<b>11.80</b>	<b>44.72</b>	<b>49.94</b>	<b>98.40</b>	<b>204.86</b>

**(IX) The history of funded post retirement plans are as follows :**

Particulars As at	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Present value of defined benefit obligation	122.41	113.36	114.98	107.71	93.11
Fair value of plan assets	15.58	32.66	35.07	45.56	46.87

	March 31, 2022			March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
	(₹ in Lakhs)			(₹ in Lakhs)		
Gratuity (Net Assets)/ Liability	106.83	-	106.83	80.70	-	80.70
<b>Total employee benefit obligations</b>	<b>106.83</b>	<b>-</b>	<b>106.83</b>	<b>80.70</b>	<b>-</b>	<b>80.70</b>

**30. Related party transactions**
**a. List of related parties**
**Entities having significant influence over the Company (promoter venturers)**

- Indraprastha Gas Limited
- GAIL (India) Limited
- Bharat Petroleum Corporation Limited

**Key Management Personnel (KMP)**

- Mr. Mahesh Vishwanathan Iyer - Chairman (From 14.09.2021)
- Mr. Hirdesh Kumar - Managing Director (Up to 02.05.2022)
- Mr. Rathish Kumar Das - Managing Director (from 02.05.2022)
- Mr. Ranjan Dwivedi - Managing Director (Up to 12.11.2020)
- Mr. Sunil Kumar Bains - Director Commercial
- Mr. Pardeep Goyal - Director Commercial (Up to 27.01.2021)
- Mr. Surjeet Mahalik - Director (Up to 31.05.2021)
- Mr. Praveer Agarwal - Director (Up to 14.09.2021)
- Mr. Ashim Batra - Director (Up to 30.09.2021)
- Mr. Sukhmal Kumar Jain - Director (From 17.06.2021 to 04.10.2021)
- Mr. Praveen Kumar Pandey - Director
- Mr. Manjeet Singh - Director
- Mr. Ramesh Chandra Gupta - Director
- Mr. Sunil Kumar Agrawal - Director (From 02.07.2021)
- Mr. Rajeev Dutta - Director (From 14.10.2021)
- Mr. Ajai Tyagi - Director (From 29.12.2021)
- Mr. Asheesh Agarwal - Chief Financial Officer
- Mr. Deepak Bhasin - Company Secretary (Up to 23.08.2021)

**b. Transactions with related parties:**

Transactions during the Year	March 31, 2022 (₹ in Lakhs)	March 31, 2021 (₹ in Lakhs)
Transactions during the year		
<b>Gail (India) Limited</b>		
Secondment charges##	106.23	97.80
Purchase of Natural Gas	23779.65	9742.30
Genset Expenses Charged	2.66	2.17
Dividend Paid	270.00	270.00
Interim Dividend Declared but not paid	150.00	-
Interest Income	-	0.27
Hook-up Operational Charges	-	67.26
Refund received against Hook-up Operational Charges of Achalgarh Unnao	-	128.10
Capitalization of Hook-up Facilities as ROU	-	0.89
Operational charges of Hooking up facility	-	0.88
Spur Line Charges paid	-	30.99
<b>Bharat Petroleum Corporation Limited</b>		
Secondment charges##	92.17	77.80
Purchase of RLNG	-	40.42
Sale of CNG (Including Excise Duty & VAT)	9457.22	6304.94
Sitting Fees paid	1.80	2.10
Dividend Paid	270.00	270.00
Interim Dividend Declared but not paid	149.99	-
Facility Charges Paid	155.36	127.31
Purchase of Mak Lubes	2.89	-

<b>Indraprastha Gas Limited</b>		
Sitting Fees paid	4.40	4.30
Dividend Paid		
	540.00	540.00
Interim Dividend Declared but not paid	300.00	-
Job work Charges received (Including GST)	302.44	93.32
Excise Duty Reimbursement received (Including GST)	200.13	57.24
Sale of CNG Assets	-	6.73
<b>Mr. Ramesh Chandra Gupta</b>		
Sitting Fees paid	2.30	2.50
<b>Mr. Sunil Kumar Agarwal</b>		
Sitting Fees paid	1.40	-
<b>Remuneration paid/payable to KMP</b>		
Mr. Asheesh Agarwal	32.17	30.63
Mr. Deepak Bhasin	14.57	16.62
<b>Details of Secondment Expenses Paid to GAIL and BPCL for Director's Remuneration</b>		
Mr. Hirdesh Kumar#	90.03	32.21
Mr. Sunil Kumar Bains #	78.11	27.80
Mr. Ranjan Dwivedi#	-	65.59
Mr. Pradeep Goyal#	-	50.00

**Details of Remuneration paid/ payable to KMP**

(₹ in Lakhs)

Particulars	Mr. Asheesh Agarwal	Mr. Deepak Bhasin
<b>Year ended March 31, 2022</b>		
<b>Short term employee benefits</b>		
Salary	30.38	6.22
<b>Post-employment benefits</b>		
Contribution to Provident Fund, Gratuity and other Funds*	1.79	8.35
	<b>32.17</b>	<b>14.57</b>
<b>Year ended March 31, 2021</b>		
<b>Short term employee benefits</b>		
Salary	28.94	15.72
<b>Post-employment benefits</b>		
Contribution to Provident Fund, Gratuity and other Funds*	1.69	0.90
	<b>30.63</b>	<b>16.62</b>

\* The said amount does not include amount in respect of gratuity and leaves as the same are not ascertainable.

# Direct reimbursements made as per terms of employment/entitlements-Post employment benefit

##Including GST.

**c. Balance (Outstanding)/Receivable-**

<b>Balance (Payable)/ Receivable at the end of the Year</b>	<b>March 31, 2022 (₹ in Lakhs)</b>	<b>March 31, 2021 (₹ in Lakhs)</b>
<b>Gail (India) Limited</b>		
-Trades Payable	(1451.70)	(484.41)
-Security Deposits	8.10	8.10
-Trades receivable	3.18	5.48
-Capital Advance	345.74	345.74
-Interest Accrued on Security	3.44	3.76
-Interim Dividend Payable	135.00	-
<b>Bharat Petroleum Corporation Limited</b>		
-Trades Payable	(12.00)	(25.44)
-Advances	1.64	1.26
-Trades receivable	407.99	359.34
-Interim Dividend Payable	134.99	-
<b>Indraprastha Gas Limited</b>		
-Trades receivable	29.71	10.45
-Interim Dividend Payable	270.00	-

**31. Financial Instruments by Category**

(₹ in Lakhs)

	<b>March 31, 2022</b>			<b>March 31, 2021</b>		
	<b>FVPL</b>	<b>FVOCI</b>	<b>Amortised Cost</b>	<b>FVPL</b>	<b>FVOCI</b>	<b>Amortised Cost</b>
<b>Financial assets</b>						
Trade receivable	-	-	4696.58	-	-	3664.56
Cash and cash equivalents	-	-	523.92	-	-	536.87
Bank Balance Other than Above	-	-	11278.53	-	-	8321.20
Interest accrued	-	-	284.46	-	-	211.08
Security deposits	-	-	32.09	-	-	31.90
<b>Total financial assets</b>	-	-	<b>16815.58</b>	-	-	<b>12,765.61</b>
<b>Financial liabilities</b>						
Trade payables	-	-	2539.80	-	-	1430.87
Payable on purchase of PPE	-	-	1953.25	-	-	1417.34
Security deposits from customers	-	-	5131.04	-	-	4154.39
Accrued Employees Benefits	-	-	116.21	-	-	193.63
Net Gratuity Liabilities	-	-	106.83	-	-	80.70
Lease Liability	-	-	114.09	-	-	142.47
Unpaid Dividend	-	-	540.00	-	-	-
<b>Total financial liabilities</b>	-	-	<b>10501.22</b>	-	-	<b>7419.40</b>

There are no financial assets and liabilities measured at fair value as at March 31, 2022 and March 31, 2021. The carrying amount of cash and cash equivalents, deposits with banks, trade and other short term receivables, other current assets, trade payables, capital creditors and other current liabilities carries at amortized cost is not materially different from its fair value, largely due to the short-term maturities of these financial assets and liabilities.

Security deposits received from customers have not been fair valued as the same are repayable on demand, so there is no fixed terms available for its discounting.



## 32. Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is governed by Financial Guidelines which are approved by the Board of Directors and ensure compliances jointly through Managing Director and Director Commercial.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

### (i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed causing financial loss. The Company is exposed to credit risk mainly from trade receivables and deposits with banks. To manage this, the Company obtains security deposits from various types of PNG credit customers including domestic, Industrial and Commercial. Further, in case of Industrial Customers, the company secures the credit risk by getting Bank Guarantee/LC equivalent to the value of 47 days of average sales. Apart from this, company periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. In case of CNG sales, the company operates in retail sales on cash & carry basis and credit sales to retail outlets operated by Public Sector Oil Marketing Companies namely, BPCL, HPCL and IOCL with agreement to pay within 7 days of receipt of invoices.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The ageing of trade receivables is given below:-

Ageing analysis	As at March 31, 2022 (₹ in Lakhs)	As at March 31, 2021 (₹ in Lakhs)
Upto 6 months	3865.87	2976.32
More than 6 months	982.72	730.06

The impairment analysis is performed at each balance sheet date on individual basis for major clients. In additions a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The company makes specific provisions/ write offs in respect of major customers based on its previous experiences and increase in credit risks after considering the amount of deposits obtained from the customers. The company makes general provisions for lifetime expected credit loss in respect of domestic PNG receivables @ 10% on the amount of receivables ( after adjusting the security deposits and unidentified outstanding credits) overdue for more than 180 days.

During the year, the company has launched the Samadhan Scheme for domestic PNG customers. The scheme provides for waiver of late payment charges levied on the invoices, if the entire due amount towards the supply of PNG is made by the customers. The company estimates that majority of its customers will opt for the Scheme and accordingly, the company has estimated an additional provision for Rs 73.78 Lakh under credit loss allowance.

The change in loss allowances for trade receivables is as under:-

	As at March 31, 2022 (₹ in Lakhs)	As at March 31, 2021 (₹ in Lakhs)
Balance outstanding at the beginning of the year	41.82	34.57
Provision made during the year	110.19	11.28
Provision reversed	-	(3.54)
Balance at the end of the year	-	(0.49)
	152.01	41.82

### (ii) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable basis. Company has sufficient liquidity and expected cash flow to meet such obligations at present; however processes and policies related to such risks are overseen by senior management at regular interval. Company management monitors the company's net liquidity position through daily funds position and rolling forecasts on the basis of expected cash flows.

#### *Maturity profile of financial liabilities*

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31, 2022	Less than 1 year (₹ in Lakhs)	More than 1 year (₹ in Lakhs)	Total (₹ in Lakhs)
Trade payables	2539.80	-	2539.80
Payable on purchase of PPE	1953.25	-	1953.25
Security deposits from customers	5131.04	-	5131.04
Accrued Employees Benefits	116.21	-	116.21
Net Gratuity Liabilities	106.83	-	106.83
Lease Liabilities	39.66	74.43	114.09
Unpaid Dividend	540.00	-	540.00
	<b>10426.79</b>	<b>73.53</b>	<b>10501.22</b>
As at March 31, 2021	Less than 1 year (₹ in Lakhs)	More than 1 year (₹ in Lakhs)	Total (₹ in Lakhs)
Trade payables	1430.87	-	1430.87
Payable on purchase of PPE	1417.34	-	1417.34
Security deposits from customers	4154.39	-	4154.39
Accrued Employees Benefits	193.63	-	193.63
Net Gratuity Liabilities	80.70	-	80.70
Lease Liabilities	73.60	68.87	142.47
	<b>7350.53</b>	<b>68.87</b>	<b>7419.40</b>

**Capital management**
**(a) Risk management**

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

**(b) Dividends**

	Recognised in the Year Ending	
	March 31, 2022 ₹ in lakhs	March 31, 2021 ₹ in lakhs
<b>(i) Dividend Recognised</b>		
a) Final dividend for the year ended March 31, 2021 of ₹ 1.80 (March 31, 2020- ₹ 1.80) per fully paid share	1080.00	1080.00
b) Interim dividend for the year ended March 31, 2022 of ₹ 1.00 (March 31, 2021- Nil ) per fully paid share	600.00	Nil
<b>(ii) Dividend proposed but not recognized in the books of accounts</b>	Nil	Nil

**33. Earnings per share**

Particulars	Units	Year ended March 31, 2022	Year ended March 31, 2021
Net profit attributable to Shareholders	₹ Lakhs	11882.57	7862.00
Weighted average number of equity shares	No.	6.00	6.00
Nominal value per share	₹	10	10
Basic earnings per share of ₹ 10 each	₹	19.80	13.10

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

**34. Tax expense**
**(a) Income Tax Expenses**

(₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax	3,558.14	2,268.80
Deferred tax	453.83	408.43
<b>Total Income Tax Expenses</b>	<b>4,011.97</b>	<b>2,677.23</b>

**(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:**

(₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the year (before income tax expense)	15,895.91	10,534.14
Applicable tax rate	25.17%	25.17%
<b>Computed tax expenses</b>	<b>4001.00</b>	<b>2651.44</b>
Expenses not allowed for tax purposes	42.14	46.53
Deferred Tax on non-depreciable property, plant and equipment recognized.	(33.31)	(18.43)
Income tax Adjustment	2.14	(2.31)
<b>Total</b>	<b>4,011.97</b>	<b>2,677.23</b>

**35.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Code would impact the contributions by the Company towards Provident Fund and Gratuity. However, the date on which the Code will come into effect has not been notified. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**36. LEASES**

Following are the changes in the carrying value of other right of use assets for the year ended March 31, 2022:

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

(₹ in lakhs)

Particulars	Category of ROU asset				Total
	Vehicles	Premises	Hooking Up Facility	Land	
<b>Opening Balance as on April 01, 2021</b>	<b>31.59</b>	<b>79.83</b>	<b>111.80</b>	<b>77.62</b>	<b>300.84</b>
Additions during the year	-	-	-	-	-
Deletions during the year	-	-	-	-	-
Depreciation Adjustment during the year	-	-	-	-	-
Depreciation during the year	21.06	27.70	14.41	1.01	<b>64.18</b>
<b>Balance as at March 31, 2022</b>	<b>10.53</b>	<b>52.13</b>	<b>97.39</b>	<b>76.61</b>	<b>236.66</b>

(₹ in lakhs)

Particulars	Category of ROU asset				Total
	Vehicles	Premises	Hooking Up Facility	Land	
<b>Opening Balance as on April 01, 2020</b>	<b>470.58</b>	<b>112.54</b>	<b>125.30</b>	<b>78.64</b>	<b>787.06</b>
Additions during the year	52.63	0.32	0.89	-	<b>53.84</b>
Deletions during the year	666.08	6.29	-	-	<b>672.37</b>
Depreciation Adjustment during the year	323.84	2.55	-	-	<b>326.39</b>
Depreciation during the year	149.38	29.29	14.39	1.02	<b>194.08</b>
<b>Balance as at March 31, 2021</b>	<b>31.59</b>	<b>79.83</b>	<b>111.80</b>	<b>77.62</b>	<b>300.84</b>

Following is the break-up of current and non-current lease liabilities as at March 31, 2022

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Lease Liabilities in respect of short-term lease	45.00	23.44
Current Lease Liabilities in respect of long-term lease	29.43	50.16
Non-Current Lease Liabilities	39.66	68.87
<b>Total</b>	<b>114.09</b>	<b>142.47</b>

Following is the movement in long term lease liabilities during the year ended March 31, 2022

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance at the Beginning</b>	<b>119.03</b>	<b>622.66</b>
Additions during the year	-	52.95
Finance Cost Accrued during the year	8.47	33.68
Deletions during the year	-	(345.40)
Payment of Lease Liabilities during the year	(58.41)	(244.86)
<b>Balance at the end</b>	<b>69.09</b>	<b>119.03</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than One Year	27.89	58.39
One to Five Year	13.93	43.89
More than Five Year	92.88	96.45
<b>Total</b>	<b>134.70</b>	<b>198.73</b>

The company had taken head office premises and warehouse premises on lease for long period in earlier year. However, after the expiry of respective lease agreements, new lease agreements for longer period have not been executed but the premises are continued to be used on mutual arrangements. In the absence of execution of long term agreements, these leases have been classified as short term leases and accordingly accounted for as per Ind-As 116.

Rental expenses recorded for short term lease including aforesaid short term leases are Rs. 52.96 Lakhs (Previous Year Rs. 22.43 Lakhs) for the year ended March 31, 2022.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**37. Relationship with struck off companies-**

(₹ in lakhs)

Name of Struck off Company	Nature of transactions	Transactions during the year ended March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Chandan Enterprise Private Limited	Purchase of Spare Parts	0.50	-	No
Vishnu Computer Private Limited	Repair & Maintenance of Computer	0.74	-	No
Quark Computer Private Limited	Repair & Maintenance of Computer	1.06	(0.06)	No
New Tech Prodcuts & Services Private Limited	Purchase of Spare Parts	-	(0.34)	No
Arjay Automation Control Pvt. Limited	Purchase of PPE	-	(0.69)	No
Market Mirror Research Solutions Pvt. Ltd	Sales Promotion Expenses	4.99	-	No

(₹ in lakhs)

Name of Struck off Company	Nature of transactions	Transactions during the year ended March 31, 2021	Balance outstanding at the end of the year as at March 31, 2021	Relationship with the Struck off company, if any, to be disclosed
Chandan Enterprise Private Limited	Refund of Security	1.39	-	No
Vishnu Computer Private Limited	Repair & Maintenance of Computer	0.38	-	No
Arjay Automation Control Pvt. Limited	Purchase of PPE	-	(0.69)	No

**38. Ratios to be disclosed are as under-**

Ratio	Units	Numerator	Denominator	Year ended March 31, 2022	Numerator	Denominator	Year ended March 31, 2021	% Variance	Reason for Variance
Current Ratio (Current Asset/Current Liability)	Times	16,056.20	11,126.74	1.44	10,551.63	7,952.28	1.33	8.27%	-
Debt-Equity Ratio (Total Debt/Shareholders' Equity)	NOT APPLICABLE								
Debt Service Coverage ratio (Earning available for Debt Service/Debt service)	NOT APPLICABLE								
Inventory Turnover ratio (Cost of Goods Sold/Average Inventory)	Times	23,474.96	29.76	788.81	10,752.13	16.22	662.89	19.00%	-
Trade Receivable Turnover Ratio (Credit sales/Average Account Receivable)	Times	43,160.03	4,180.57	10.32	23,379.40	2,951.38	7.92	30.30%	-
Trade Payable Turnover Ratio (Net Credit Purchases/ Average Account Payable)	Times	23,500.34	1,985.34	11.84	10,753.84	1,319.39	8.15	45.28%	Mainly due to increase in sales volumes during the year.
Net Capital Turnover Ratio (Net Sales/Average Working Capital)	Times	50,060.81	3,764.41	13.30	29,127.77	2,469.78	11.79	12.81%	-
Net Profit ratio (Net profit after tax/Net Sales)	Percentage	11,882.57	50,060.81	23.74%	7,862.00	29,127.77	26.99%	-12.04%	-
Return on Equity ratio (Net profit after tax / Average Shareholders' Equity)	Percentage	11,882.57	47,463.64	25.04%	7,862.00	38,965.81	20.18%	24.08%	-
Return on Capital Employed (Earning before Interest and taxes/Tangible Net worth+ Total Debt+Deferred tax liability)	Percentage	15,927.61	54,980.53	28.97%	10,593.70	44,328.19	23.90%	21.22%	-
Return on Investment(Net profit after tax/Average Total Asset)	Percentage	11,882.57	59,248.14	20.06%	7,862.00	48,533.10	16.20%	23.81%	-

**39. Events occurring after the balance sheet date:**

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

**40. Other Statutory information:**

- i) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- ii) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) 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
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- iv) The Company have not any 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
- v) The company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs, and the related parties(as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
  - a) repayable on demand; or
  - b) granted without specifying any terms or period of repayment)
- vi) The Company has not declared a wilful defaulter by any banks or any other financial institution at any time during the financial year.
- vii) The company has not borrowed any funds from banks or financial institutions on the basis of the security of current assets.

**41.** The Ministry of Corporate Affairs, through notification dated March 24, 2021 had amended Schedule III of the Companies Act, 2013 which prescribes the presentation and disclosure requirements of the Financial Statements. These amendments are made effective for the Financial Statements prepared for the period commencing from April 1, 2021. To comply with these amended requirements, certain reclassification have been made in the Balance Sheet of the previous year to make it comparable with the prescribed classification for the current financial year as under:-

Particulars	Original Figures March 31, 2021 (₹ in lakhs)	Revised Figures March 31, 2021 (₹ in lakhs)	Remarks
Trades Receivables	3,333.66	3,664.56	As per prescribed amendment, Un-billed Revenue of Rs.330.90 Lakhs have been reclassified and shown as Trade Receivables instead of Other Financial Assets.
Other current Financial Assets	2,456.45	2,125.55	As per prescribed amendment, Un-billed Revenue of Rs.330.90 Lakhs have been reclassified and shown as Trade Receivables instead of Other Financial Assets.
Current Provisions	103.12	100.20	Unpaid CSR Liability of Rs. 2.92.Lakhs have been reclassified as Trades Payable instead of CSR Provisions.
Trades Payable	1,427.95	1,430.87	Unpaid CSR Liability of Rs. 2.92.Lakhs have been reclassified as Trades Payable instead of CSR Provisions.

**40.** The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**for Mittal Gupta & Co.  
Chartered Accountants  
Firm Registration 001874C**

**Sd/-  
Bihari Lal Gupta  
Partner  
Membership No. 073794**

**Place: Kanpur  
Date: 25.05.2022  
UDIN: 22073794AJYUPZ7685**

**For and on behalf of the Board of Directors**

**Sd/-  
Rathish Kumar Das  
Managing Director  
DIN: 09586463**

**Sd/-  
Asheesh Agarwal  
Chief Financial Officer**

**Sd/-  
Sunil Kumar Bains  
Director (Commercial)  
DIN: 09053593**



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CENTRAL U.P. GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2022.**

The preparation of financial statements of Central U.P. Gas Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) 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 25 May 2022.

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

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

**Place: New Delhi  
Date: 23.06.2022**

**Sd/-  
(D. K. Sekar)  
Director General of Audit (Energy)  
New Delhi**



**CUGL Convenience Zone Inauguration - Kanpur**



**Stakeholders and Directors of CUGL during Strategy Meet at Udaipur**





**CUGL - Annual Day**





**Flagging off the CNG Rally organised by CUGL during the fuel conservation campaign 'SAKSHAM 2022'**



**International Women's Day Celebration**





**Doctor's Visit at Office for Staff health Checkup during COVID-19 Pandemic**



**World Environment Day 2022**





**Safety Pledge during National safety day 2022,at Bareilly**



**Inauguration of New Office at Bareilly**



## Central U.P. Gas Limited

(A Joint Venture of GAIL (India) Limited & BPCL)  
Registered Office: 7th Floor, UPSIDC Complex, A 1/4 Lakhanpur, Kanpur - 208024, Uttar Pradesh  
CIN: U40200UP2005PLC029538, Website: www.cugl.co.in  
Email: dbhasin@cugl.co.in, Tel. No.: 0512-2246000, Fax No.: 0512-2582453

### ATTENDANCE FORM

Member(s) or his/her/their proxy (ies) is requested to present this form for admission, duly signed accordance with his/her/their specimen signature(s) registered with the Company.

Name: \_\_\_\_\_ Client ID \_\_\_\_\_ No. of Shares \_\_\_\_\_

Folio No. \_\_\_\_\_ DPID No. \_\_\_\_\_

I hereby record my presence at the 17th ANNUAL GENERAL MEETING of Central U.P. Gas Limited to be held on Monday, the 19th day of September 2022, at 11:00 a.m. at the registered office of the Company at 7th Floor, UPSIDC Complex, A 1/4 Lakhanpur, Kanpur - 208024, Uttar Pradesh or any adjournment thereof

Please ☒ in the box.

☐

Member

☐

Proxy

\_\_\_\_\_  
Name of the Proxy in Block Letters

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Proxy's Signature





## Central U.P. Gas Limited

(A joint venture of GAIL India and Bharat Petroleum)  
7th Floor UPSIDC Complex, A-1/4, Lakhnau, Kanpur-208024  
Landline No. : 0512-2246000 | Website : [www.cugl.co.in](http://www.cugl.co.in)  
CIN : U40200UP2005PLC029538