

# ANNUAL REPORT | 2021-22



बंगाल गैस कंपनी लिमिटेड  
**BENGAL GAS COMPANY LIMITED**  
(A JV Company of GAIL & GCGSCL)

A decorative graphic element featuring stylized green buildings of varying heights, positioned to the left of the Vision Statement header.

## VISION STATEMENT:

To be a leading City Gas Distribution Company by keeping our approach ethical, credible, eco - friendly and customer centric, being innovative and a learning organization.

A decorative graphic element featuring stylized green factory buildings with smokestacks, positioned above the Mission Statement header.

## MISSION STATEMENT:

Provide Eco friendly energy solution with innovative technology to create Clean, Green, Safe & Healthy environment with emphasis on high level customer satisfaction.





# CONTENTS

|  |       |
|--|-------|
| Chairman's Message .....                 | 2-3   |
| Board of Directors .....                 | 4-4   |
| Key Managerial Personnel .....           | 5-5   |
| Directors' Report .....                  | 6-13  |
| Management Discussion and Analysis ..... | 14-15 |
| Report on Corporate Governance .....     | 16-17 |
| Form AOC-2 .....                         | 18-19 |
| Secretarial Audit Report .....           | 20-24 |
| Independent Audit Report .....           | 25-36 |
| Financial Statements .....               | 37-68 |
| Report of the C & AG .....               | 69-72 |
| Notice of the 3 <sup>rd</sup> AGM .....  | 73-77 |



## Chairman's Message

It gives me immense pleasure to welcome you all at the 3rd Annual General Meeting of your Company. I take this opportunity to share with you the performance review of your Company during the year, along with our strategic outlook and roadmap for further growth.

The current year, like the previous one continues to be a challenging one for economies worldwide with businesses still facing the brunt of the COVID 19 pandemic albeit at a declining magnitude. With the pandemic showing signs of recession, the country is limping back to normalcy. While economic activity has picked up, the pace continues to remain slow, largely due to the migration of human labour to their hometowns and villages in the face of an uncertain future.

In this challenging backdrop, it is heartening for me to share that despite all obstacles, your Company, Bengal Gas Company Limited, remained resilient and not only managed to survive the turbulence but also achieve new milestones, posting healthy growth.

As you are aware, your Company BGCL is a joint venture of GAIL (India) Limited and Greater Calcutta Gas Supply Corporation Limited (GCGSCL), a company of GoWB

especially formed to develop City Gas Distribution (CGD) Network in Kolkata city and parts of adjoining districts. It is tasked with the responsibility to lay, build, operate and expand City Gas Distribution (CGD) networks along with distribution and marketing of Compressed Natural Gas (CNG), Natural Gas, LNG and any other gaseous fuels in the geographical area of Kolkata GA in the state of West Bengal.

During the FY 2021-22 and till the date of this report, your Company has commissioned 05 more CNG Stations taking their total number to 07. Besides, it has set the target of 10 more CNG Stations for installation till 31st March 2023. Further, a total 50 kms Steel/MDPE Pipelines have been laid during the year under review with a further target of 500 Kms till 31st March 2023.

Your Company has created infrastructure for about 8,000 DPNG connections with a target of 20,000 DPNG connections till 31st March 2023. It has also completed 350 kms survey works till the date of this report with target of 500 more Kms till 31st March 2023.

I would like to take this opportunity to express my deepest gratitude for the continued support provided to us by



the different wings of the Government of West Bengal in the speedy execution of the projects. It is also worth to mention that considering the revision in schedule of commissioning of the JHBDPL upto hookup point of our GA, PNGRB has shifted the start date of the project to 1<sup>st</sup> January 2022, with the commitment of further shifting of start date in case of further revision of schedule, thereby reasonably facilitating the CGD Project in its execution.

During the year under review, your Company has created total fixed assets including CWIP to the tune of Rs.237 crore approximately against the total fixed assets including CWIP of ₹51 crore as on 31<sup>st</sup> March 2021. The revenue from operation also increased from 0.19 lacs to 101.94 lacs during FY 2021-2022. Your Company has also awarded contracts of approximately ₹1403 crore during the period under review against the value of awarded contracts of ₹421 crore approx. during last year. Your Company is an advanced stage of debt tie-ups of ₹2968 crores with the help of M/s Mecon India Limited and M/s SBI Capitals after infusion of equity contribution by the promoters, M/s GAIL and GCGSCL.

Further Both the promoter companies take keen interest in training our employees to enhance their capabilities and competence, while also preparing them for future leadership positions. Besides, your Company also renders the highest priority to the health and safety of all its stakeholders; and the pipelines & systems installed for city gas distribution.

Going forward, the Indian gas market is expected to be one of the fastest growing in the world over the next two decades. The MoPNG and PNGRB have launched several

initiatives for freeing up markets, pricing and trade. These announcements will work towards a unified pipeline tariff. There are also renewed efforts to reduce carbon imprints and switch to natural gas. The government too has undertaken a series of reforms to incentivize infrastructure investment in the oil and gas sector such as priority allocation of domestic gas. There are plans to connect more cities and districts to the gas pipeline infrastructure. We will also continue to focus on increasing penetration in its existing geographical areas.

Despite the challenges posed by the pandemic, your Company posted a healthy growth in the FY2021-22. And this would not have been possible without the whole-hearted support of the Government of India, Government of West Bengal including its various affiliates, PNGRB, Promoters, Directors, valued customers and employees of BGCL.

Finally, I would like to thank each shareholder for the confidence and trust reposed in us. With your support and blessings, I am sure that we will continue to create material, social and environmental wealth and significantly contribute to the economy and the welfare of the society at large.

Sd/-

**Rakesh Kumar Jain**

Chairman

## Board of Directors



**Sh. Rakesh Kumar Jain**  
Chairman



**Sh. Goutom Chakraborty**  
Director



**Sh. K. R. M. Rao**  
Director



**Sh. A. K. Tripathi**  
Director



**Sh. S. Sampath**  
Director



**Sh. Kumar Shanker**  
Director



**Smt. Sunrita Hazra**  
Director



**Sh. Biswanath Chakrabarti**  
Director



## Key Managerial Personnel



**Sh. Satyabrata Bairagi**  
Chief Executive Officer



**Sh. Pratul Kumar Ray**  
Chief Financial Officer

## Company Secretary



**Sh. Gyanendra Singh**

### **Statutory Auditor:**

Vimal & Seksaria, Chartered Accountants,  
31<sup>st</sup> G.C Avenue, 1<sup>st</sup> Floor, Kolkata-700013

### **Secretarial Auditor:**

D. Raut & Associates, Company Secretaries,  
R.No. 7A, G.C Avenue, Kolkata-700013

### **Internal Auditor:**

KASG & Co.,  
Chartered Accountants, Kolkata- 700012

### **Bankers:**

State Bank of India, Salt Lake Branch,  
Kolkata-700091

### **Registered Office:**

**BENGAL GAS COMPANY LIMITED**

CIN: U40300WB2019GOI229618

4<sup>th</sup> Floor, Block B, Finance Center

CBD, Action Area- IIB, New Town,

Kolkata, North 24 Parganas, WB-700161

Email: [info@bgcl.co.in](mailto:info@bgcl.co.in)

Website: [www.bgcl.co.in](http://www.bgcl.co.in)

### **Register & Transfer Agent:**

MCS share Transfer Agent Ltd.,

F-65, Phase-I, New Delhi- 110020



# Directors' Report







## Directors' Report

To,  
The Members,

Your Directors take pleasure in presenting the Third Annual Report along with the Audited Accounts of the Company for the period starting from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 together with the Auditors' Report and Comments on the accounts by the Comptroller and Auditor General of India (C&AG).

### 1. ABOUT COMPANY:

Your Company is a Joint Venture company of GAIL (India) Ltd, a Maharatna Company of Govt. of India and Greater Calcutta Gas Supply Corporation Ltd., (GCGSCL) an undertaking of West Bengal Government.

Company was formed on 04<sup>th</sup> January 2019 pursuant to the JV agreement signed between GAIL and GCGSCL on 24<sup>th</sup> July 2018 for undertaking the project to lay, build, operate and expand City Gas Distribution (CGD) networks along with distribution and marketing of Compressed Natural Gas (CNG), Natural Gas, LNG, Auto LPG and any other gaseous fuels in the geographical area of Kolkata GA in the state of West Bengal

### 2. ABOUT PROJECT AT KOLKATA GA:

Kolkata GA includes a portion of the adjoining districts of North 24 Parganas, South 24-Parganas, Howrah, Hooghly and Nadia districts. The total area of the GA expands up to 1529 Sq. Km with population of 1.64 Crores. (as per Census 2011).

The Capex planned for the first 5 years' period is Rs. 4947.06 Cr which is to be met in the debt-to-equity ratio of 60:40.

PNGRB vide its letter dated 19<sup>th</sup> August 2021 has approved amendments in the Terms and Conditions of authorization. Based on the expected revised timeline submitted by GAIL for commissioning of the Jagdishpur-Haldia-Bokaro-Dhamra-Naural Gas Pipeline (JHBDPL) as 31<sup>st</sup> December 2021, PNGRB has amended the date of start of contract year of the Kolkata GA from 02.02.2016 to 01.01.2022 and therefore the new start date shall be counted from 01.01.2022 and accordingly, the Financial Closure submission period is also shifted. PNGRB has also clarified that since these dates are based on expected commissioning date of JHBDPL, these dates

shall be changed further, accordingly, in case the actual commissioning date of the natural gas pipeline changes.

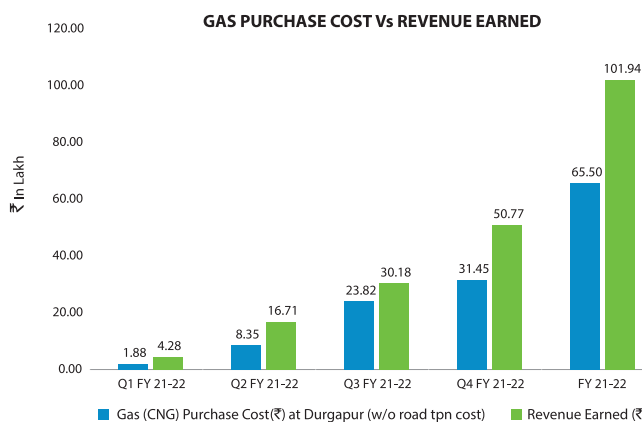
Further, the start date for exclusivity period of 300 months in respect of laying building or expending the CGD network and exclusivity period of 60 months for exemption from the purview of common carrier or contract carrier for the subject CGD network is also shifted from 02.02.2016 to 01.01.2022. All other Terms and Conditions of authorization will remain same.

### 3. BUSINESS PLAN AND PRESENT STATE OF AFFAIRS:

Your company has set following goals to achieve during the first 5 years of its operations:

|                        |   |             |
|------------------------|---|-------------|
| Domestic connections   | : | 14.18 Lacs  |
| CNG Stations           | : | 130 nos.    |
| Steel Pipeline         | : | 386.5 Kms.  |
| MDPE Pipeline          | : | 10962 Kms.  |
| City Gate Station      | : | 02 nos.     |
| Gas Demand Projections | : | 1.30 MMSCMD |

Your company has started its commercial operation w.e.f. 22<sup>nd</sup> March 2021. The progress made by the company during the year under review is as under:



### CNG Business:

During current Financial Year and till the date of this report, your company has commissioned 5 more CNG stations, and with this, total number of CNG Stations, which are in operation at the ROs of different OMCs, has increased to 07 which are operating at following locations:

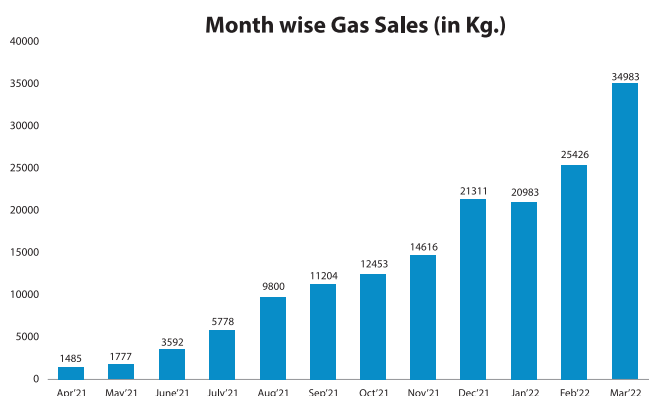
- Champion Hub, New Town

- ii. Greenlands, Garia
- iii. Manick Traders, Rajarhat
- vi. Drive IN, Belgachhia
- v. LILA Service Station, Behala
- vii. WBTC Bus Depot, Kasba

Presently, company is sourcing gas, in form of CNG, from GAIL at Durgapur which is transported through mobile cascades and sold through the above stations situated at the ROs of the different OMCs.

BGCL has executed CNG Sale Agreement with WBTC, Transport Department, GoWB on 21.06.2021 and then with Reliance BP Mobility Limited on 15.12.2021

Month-wise sales during FY 2021-2022 is presented in the chart below:



### PNG Business:

Your Company is yet to start its PNG operations.

### 4. CGD INFRASTRUCTURE:

Your company has laid around 10 Kms. of steel pipeline and has also completed about 40 Kms. of MDPE laying work.

Company has awarded contract for laying of 350 Kms. of Steel Pipeline and 2400 Kms of MDPE Pipeline.

### Land Purchases

In addition to the land situated at Mouza- Rajrambati which was purchased during the previous year. A Land has been taken on 99 years lease measuring about 1466.55 sq. mtrs. at Plot No. IIE/14, Action Area- IIE, Newtown, Kolkata-700157. For ₹ 9.43 Crores. This land will be used for developing Mother CNG station.

Further, during the current financial year 2022-23, another piece of land measuring 125 decimal has been purchased

by the company at Mouza- Bankra, J.L. No. 055 and Mouza- Salap, J.L. No. 052 for ₹ 15.98 Crores. This land is situated on the NH-19 Highway and will be used for developing LCNG station which will have capability to receive LNG as well as NG and will be able to dispense both LNG and CNG as vehicle fuel. The station will also act as a mother CNG station to feed daughter-booster CNG stations.

### 5. FUTURE PLANS:

Commissioning of the following 10 CNG Stations, at the ROs of different OMCs, is envisaged in the current F.Y. i.e., 2022-2023:

1. Jameco Agencies, Church Lane
2. Shanti S/s, Baidyabati
3. Kalyani Expressway RO, Kalyani Exp Way
4. Car Fill, Kalyani
5. Happy Service Station, Barasat
6. P M Enterprises, Budge
7. Sodepur RO, BT Road
8. Thakurpukur Auto, Behala
9. Mullick S/s, Bandel
10. Bombay Service Station, Howrah

### 6. COMPANY PERFORMANCE:

The Financial Results for the period starting from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 are summarized below:

#### Financial Results:

| Particulars                            | 01.04.2021 to 31.03.2022 (in Lacs) | 01.04.2020 to 31.03.2021 (in Lacs) |
|--|------------------------------------|------------------------------------|
| Revenue from Operations                | 101.94                             | 0.19                               |
| Other Income                           | 111.77                             | 139.71                             |
| Total Income                           | 213.70                             | 139.90                             |
| <b>Expenses</b>                        |                                    |                                    |
| <b>Gas Cost</b>                        | 130.88                             | 15.99                              |
| Employees benefit expenses             | 362.40                             | 196.39                             |
| Depreciation and Amortization Expenses | 43.97                              | 15.39                              |
| Other Expenses                         | 254.57                             | 121.21                             |
| Total Expenses                         | 791.81                             | 349.00                             |
| <b>Profit/(Loss) before Tax</b>        | <b>(578.11)</b>                    | <b>(209.09)</b>                    |
| Tax Expense                            |                                    |                                    |



| Particulars                       | 01.04.2021                    | 01.04.2020                    |
|-----------------------------------|-------------------------------|-------------------------------|
|                                   | to<br>31.03.2022<br>(in Lacs) | to<br>31.03.2021<br>(in Lacs) |
| Current Tax                       | -                             | -                             |
| Deferred Tax                      | 195.61                        | -                             |
| <b>Profit/(Loss) for the year</b> | <b>(382.50)</b>               | <b>(209.09)</b>               |

## 7. TRANSFER TO RESERVES

Your company does not propose to transfer any amount to General Reserves during the year.

### Dividend:

Since there is no profit from the operations during the year and company incurred Net Loss, Board has decided not to recommend any Dividend for the year 2021-22.

### Credit Rating:

During the year under review, your company has received a long-term issuer rating of "IND AA-/Stable Outlook" by M/s. India Ratings and Research Private Limited.

## 8. SHARE CAPITAL

### Authorized Capital:

During the year under review, Company, after approval of the members in the Extra Ordinary Meeting held on 12<sup>th</sup> April 2021, has increased its Authorized

Share Capital from ₹ 100.00 Crores to ₹ 2000.00 Crores.

Issued, Subscribed and Paid-up Capital:

As per Clause 10 of the Articles of Association, Company by way of capital calls, has increased its issued, subscribed and paid-up share capital on the following occasions, by issuing fully paid equity shares, on par, ranking pari-passu, in all respect with the existing equity shares of the company:

On 19<sup>th</sup> May 2021, by way of issuing 2,50,00,000 equity shares of ₹ 10/- each, on par, on 26<sup>th</sup> November 2021 by issuing 7,50,00,000 and on 25<sup>th</sup> February 2022 by issuing 7,50,00,000 equity shares of ₹ 10 each to GAIL (India) Ltd on Rights basis.

On 17<sup>th</sup> September 2021 company has issued 3,40,70,000 fully paid equity shares of ₹ 10 each, on par, ranking pari-passu, in all respect to Greater Calcutta Gas Supply Corporation Ltd on rights basis.

Taking these allotments into account, paid-up share capital of the company, as on close of the Financial Year, increased to ₹ 259,07,00,000.

## 9. SUBSIDIARY STATUS OF COMPANY:

During the Financial Year, shareholding of GAIL (India) Ltd, in BGCL, crossed the 51% mark and hence company has become a subsidiary, within the meaning of Section 2(87) of the Companies Act 2013, of GAIL (India) Ltd.

Further, being a subsidiary of a government company, BGCL achieved the status of a Government Company as per Section 2(45) of the Companies Act 2013.

Changes from the closure of Financial Year till the date of this report:

Due to further requirements of fund to sustain operations, company has further, allotted 13,50,00,000 nos. of fully paid equity shares of ₹ 10 each, on par, ranking pari-passu, on rights basis, to GAIL (India) Ltd on 22.06.2022.

Company has not issued any shares, details of which is required to be disclosed under Rule 4(4), 8(13) and 12(9) of the Companies (Share Capital and Debenture Rules) 2014.

## 10. EXTRACT OF ANNUAL RETURN UNDER SECTION 92(3) OF THE COMPANIES ACT, 2013

Pursuant to the Companies (Management and Administration) Amendment Rules, 2020, Companies are not required to attach the Extract of the Annual Return with the Directors' Report in Form No. MGT-9, in case the web link of such Annual Return has been disclosed in the Board's Report in accordance with Section 92(3) of the Companies Act, 2013.

A copy of the Annual Return is placed on the website of your Company at [https://bgcl.co.in/pdf/Draft-Annual%20Return-Form\\_MGT\\_7.pdf](https://bgcl.co.in/pdf/Draft-Annual%20Return-Form_MGT_7.pdf)

## 11. BOARD MEETINGS AND ATTENDANCE

The Board Meetings are convened by giving appropriate advance notice. Resolutions are also passed by way of circulation in case of urgency. Detailed agenda notes are circulated in advance to the Board members for facilitating meaningful and informed decisions.

During the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, six (06) Board Meetings were held on the following dates:-

| Director's Name           | Designation | Dates of Board Meetings and attendance |          |          |          |          |          |
|---------------------------|-------------|--|----------|----------|----------|----------|----------|
|                           |             | 27.05.21                               | 07.09.21 | 17.09.21 | 26.11.21 | 25.02.22 | 21.03.22 |
| Sh. R. K. Jain*           | Chairman    | N/A                                    | N/A      | N/A      | N/A      | Yes      | Yes      |
| Sh. E. S. Ranganathan#    | Chairman    | Yes                                    | Yes      | Yes      | Yes      | N/A      | N/A      |
| Smt. Sunrita Hazra        | Director    | Yes                                    | Yes      | Leave    | Yes      | Yes      | Leave    |
| Sh. Goutom Chakraborty    | Director    | Yes                                    | Yes      | Yes      | Yes      | Yes      | Yes      |
| Sh. Biswanath Chakrabarti | Director    | Yes                                    | Yes      | Yes      | Leave    | Yes      | Yes      |
| Sh. K.R.M. Rao**          | Director    | N/A                                    | N/A      | N/A      | N/A      | N/A      | Yes      |
| Sh. A. K. Tripathi**      | Director    | N/A                                    | N/A      | N/A      | N/A      | N/A      | Yes      |
| Sh. S. Sampath^           | Director    | N/A                                    | N/A      | N/A      | N/A      | N/A      | Yes      |
| Sh. Kumar Shanker^^       | Director    | N/A                                    | N/A      | N/A      | N/A      | N/A      | Yes      |

\* Appointed Chairman & Director w.e.f. 19.01.2022

# Ceased to be on the Board w.e.f. 18.01.2022

\*\* Appointed w.e.f. 04.03.2022

^ Appointed w.e.f. 09.03.2022

^^ Appointed w.e.f. 10.03.2022

Your Company has constituted the Audit Committee as per the provisions of the Companies Act, 2013. During the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, three (03) Audit Committee Meetings were held.

The details of the attendance of the members are indicated below:

## 12. AUDIT COMMITTEE MEETINGS AND ATTENDANCE

| Members' Name             | Designation | Dates of Audit Committee meetings and attendance |          |          |
|---------------------------|-------------|--|----------|----------|
|                           |             | 27.05.21   | 07.09.21 | 25.02.22 |
| Sh. E S Ranganathan       | Chairman    | Yes  | Yes      | N/A      |
| Smt. Sunrita Hazra        | Member      | Yes  | Yes      | Yes      |
| Sh. Goutom Chakraborty    | Member      | Yes  | Yes      | Yes      |
| Sh. Biswanath Chakrabarti | Member      | Yes  | Yes      | Yes      |

Being a Joint Venture Company, Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 were not applicable to BGCL and accordingly, it was not required to appoint Independent Directors nor constitute Committees of the Board as per Rule 6 of the Cos. (Meetings of Board and its Powers) Second Amendment Rules, 2017 effective from 13.07.2017.

## 13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 185 OR SECTION 186 OF THE COMPANIES ACT 2013:

Your Company has not provided any Loans & Advances or has given any Guarantee or provided security falling under the purview of Section 185 and/or Section 186 of the Companies Act, 2013.

## 14. DEPOSITS

Company has not invited/accepted any Deposits including any unsecured loans falling within the purview of Section 73 read with Companies (Acceptance of Deposits) Rules,

2014, during the Financial Year ended 31<sup>st</sup> March 2022.

As such, no amount of principal or interest payment is outstanding as on the date of Balance Sheet.

## 15. PARTICULARS OF CONTRACTS, TRANSACTIONS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the Financial Year with Related Parties were in the ordinary course of business and on an arm's length basis. Relevant information on all the Related Party Transactions in Form AOC-2 is provided as **Annexure-A** to the Boards' Report.

## 16. BOARD COMPOSITION

Being a Joint Venture company, composition of the Board is determined as per the JV agreement and Articles of the company. As per Clause 149 of the Articles of the company each party is entitled to nominate a Director on the Board of the Company for every 24% of the share capital held by them.



As on close of the FY 2021-2022, the Board of your company consists of eight (08) Nominee Directors who are nominated by the Promoters.

## 17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Shri E S Ranganathan, Chairman of the company, ceased to be on the Board of the company w.e.f. 18<sup>th</sup> January 2022.

Shri R K Jain, Director (Finance), GAIL (India) Ltd, was nominated as Chairman and Non-Executive Director on the Board of the company w.e.f. 19<sup>th</sup> January 2021.

Further, company, after receiving nomination from GAIL (India) Ltd, has appointed Sh. KRM Rao, Sh. A K Tripathi, Sh. S. Sampath and Shri Kumar Shanker as Nominee Directors on the Board w.e.f. March 2022.

### Retirement by Rotation:

Sh. Goutom Chakraborty (DIN No. 09027561) and Sh. Biswanath Chakrabarti (DIN No. 08784275) are the Directors who are retiring by rotation, in terms of Section 152(6) of the Companies Act 2013 read with Clause 162 of the Articles of Association of the company, and being eligible, will be re-appointed.

## 18. Key Managerial Personnel (KMPs)

Following executives, deputed by their parent organizations, are Key Managerial Personnel:

| Sl. No. | Name       | Designation                              | Parent Organization | From       | To    |
|---------|------------|--|---------------------|------------|-------|
| 1       | S. Bairagi | CEO                                      | GAIL(India) Ltd.    | 28.01.2019 | Cont. |
| 2       | P. K Ray   | CFO                                      | GAIL(India) Ltd.    | 20.07.2021 | Cont. |
| 3       | Jayant Roy | Head(C&P)                                | GAIL(India) Ltd.    | 21.05.2019 | Cont. |
| 4       | T K De     | Head (HR)                                | GAIL(India) Ltd.    | 21.05.2019 | Cont. |
| 5       | P K Biswas | Head (Mktg.& Comm.)                      | GAIL(India) Ltd.    | 28.01.2019 | Cont. |
| 6       | P P Ghosh  | Head (Corporate Affairs & Co-ordination) | GCGSCL              | 29.05.2019 | Cont. |

Sh. Gyanendra Singh is the Company Secretary of the company.

Sh. R K Jaipuridar, CFO was repatriated to GAIL (India) Ltd and in his place Sh. P K Ray was appointed CFO of the company w.e.f. 20<sup>th</sup> July 2021.

### Functional Heads:

In place of Sh. V K Pal, Sh. Sandip Mondal joined the company as Head (Project). Sh. Pralay Patra has joined as Head (O & M).

## 19. AUDITS

### Statutory Auditor:

M/s. VIMAL & SEKSARIA, Chartered Accountants, (Firm Reg. No. 319194E) were appointed as Statutory Auditors of the Company for the Financial Year 2021-22 by the Comptroller and Auditor General of India (C&AG) vide its letter dated 18<sup>th</sup> August 2021

### Auditors' Report and C & AG Comments:

The Auditors' Report does not contain any qualification or adverse remark. Notes to Accounts and Auditor's remarks in their report are self-explanatory and do not call for any further comments.

C&AG has conducted a supplementary audit under Section 143(6)(a) of the Companies Act 2013 and has made no observation or reservation.

The Report given by the Statutory Auditors and 'Nil' report provided by the C & AG on the Financial Statements for financial year 2021-22 forms part of the Annual Report.

#### Cost Audit

Company doesn't meet the threshold criteria specified in Section 148 of the Companies Act 2013, hence is not required to maintain Cost Records and/or appoint a Cost Auditor as required under Companies (Cost records and Audit) Rules, 2014.

#### Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013, Your Company has appointed M/S. D. Raut & Associates CP No. 5232, Practicing Company Secretaries, to conduct Secretarial Audit for the Financial Year 2021-22

The Secretarial Audit Report confirming compliance by Practicing Company Secretary in Form MR-3 (Annexure-B) is self-explanatory and does not call for any further comments.

#### Internal Audit

The internal audit function is carried out by reputed external professional firm of Chartered Accountants. During the year under review, M/s. KASG & Co., Chartered Accountants, Kolkata has conducted internal audit of the company for the Financial Year 2021-22.

### 20. ANNUAL EVALUATION OF BOARD

MCA vide its notification dated 5th June 2015 has exempted Government companies from the requirements of the clause (e) & the clause (p) of Sub-section (3) of Section 134 of the Companies Act 2013.

### 21. SECRETARIAL STANDARDS

Company has complied with the requirements of Secretarial Standards (SS-1 & SS-2) issued, under Section 118(10) of the Companies Act 2013, by the Institute of Company Secretaries of India.

### 22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions relating to CSR, are not applicable to your company during the FY 2021-2022.

### 23. SIGNIFICANT ORDER, MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no significant and material orders passed by

any Regulators or Courts or Tribunal impacting the going concern status and future operations of the company. Further there have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

There has been no change in the nature of business of the Company.

### 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has provided a gender friendly workplace with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto. During the year 2021-22, no complaint of sexual harassment was received by the Company.

### 25. HEALTH, SAFETY AND ENVIRONMENT (HSE)

Your Company believes that safety of its workforce and all its stakeholders is of critical importance to its functioning and success. In accordance with Company's HSE Policy and the guidelines issued by the Petroleum and Natural Gas Regulatory Board (PNGRB) from time to time, Your Company has implemented a robust HSE Management System to promote environment of highest level of Safety and Health amongst its stakeholders and to ensure loss control during the implementation of the CGD activities.

### 26. INTERNAL FINANCIAL CONTROL SYSTEMS

Internal controls are the mechanism, rules, and procedures implemented by a company to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud. Company has adopted C & P Procedure and has a documented Delegation of Powers manual. Internal Audit is conducted by a firm of independent professionals and report is brought to the knowledge of Audit Committee. Promoter Audit is also conducted at periodic intervals. Policy matters are dealt with Board and procedural aspect of business is taken care by the CEO. BGCL's internal control measures are commensurate with the size and the nature of its operations.



## 27. RISK MANAGEMENT POLICY

Company has, recently, adopted a comprehensive Risk Management Policy which is approved by the Board of Directors. A Nodal Risk Officer is responsible for collecting inputs from respective risk owners, review risk registers periodically, seek approval from the CEO and maintain overall risk oversight on the company.

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

- Your Company has always been taking proper steps for the conservation of the energy keeping in mind the fact regarding the scarcity of energy in the Country.
- Your Company has always been trying to keep itself technologically updated from time to time.
- There was no foreign exchange earnings and outgo during the year under review.

## 29. RIGHT TO INFORMATION ACT, 2005

Your Company adheres to the requirements of the Right to Information Act, 2005 and has designated a Central Public Information Officer and First Appellate Authority under the Act.

No queries, received by the company during the financial year 2021-22, are pending.

## 30. VIGIL MECHANISM:

The Company has a Whistle Blower Policy whereby employees can raise concerns to the competent authority in case they observe any unethical behaviour and corrupt practices. Necessary safeguards for the protection of the whistle blowers from reprisals or victimization is also ensured.

Chief Vigilance Officer of GAIL (India) Limited has been entrusted to look after vigilance function of BGCL. Accordingly, the company complies with the periodic reporting required under vigilance mechanism.

## 31. 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:

- in the preparation of the annual accounts, the

applicable Accounting Standards had been followed along with proper explanation relating to material departures;

- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;
- the Directors had taken 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.
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to express their deep gratitude for the help and support provided by the promoters viz., GAIL and GCGSCL in building up the Company by providing continuous support and assistance as a mentor to the company.

BGCL is also grateful to the Officials of central/state Govts., regulatory bodies and other statutory authorities for their continued support.

Your Directors also thank all the shareowners, business partners, bankers and other stakeholders for reposing their faith, trust and confidence in your Company.

Last not least, your Directors appreciate the commitment of company's employees towards creating a mutually rewarding future for all stakeholders.

For and on behalf of Board of Directors,

Sd/-

**Rakesh Kumar Jain**  
Chairman  
(DIN: 08788595)

Place: New Delhi  
Date: 15.09.2022

## Management Discussion and Analysis

### Global Outlook:

The past two years proved major roadblocks in the path of growth and development. Compounding the challenges posed by the COVID 19, the geo-political turbulence caused by the ongoing Russia-Ukraine war has further added to the volatility of the oil prices. While the exact extent of the crises still remains uncertain, one aspect will certainly hold good for the oil and gas industry – it is, and will remain, a multi-trillion-dollar market, given the crucial role it plays in providing affordable energy to the populations worldwide. In the context of India, despite the setback, the future of oil and gas remains bright with several policy measures taken to boost natural gas and Prime Minister’s vision to transition India to a gas-based economy.

Countries round the globe are recovering from the COVID-19 pandemic with investments in the energy system showing a steady rise over the previous year. The current geopolitical crisis has also impacted the Global Energy Sector, emphasizing that the need for achieving energy security and diversification of energy supply across the globe. According to the BP outlook on World Energy 2022, the share of renewable energy in global primary energy mix is expected to increase. However, the share of fossil fuels will continue to remain prominent in the overall primary energy mix, necessitating more responsible social and economic development at the globe stage in the nearby decades.

India is party to the Paris Agreement and committed to transition to a natural gas-based economy. To make natural gas available to the public at large, the Government of India has put strong emphasis on the expansion of CGD network coverage across the country to ensure the supply of cleaner fuel, PNG to households, industrial and commercial units, and as well as transportation fuel CNG to vehicles. Your Company, Bengal Gas Company Ltd, is also moving steadily in City Gas Distribution in Kolkata. This focus on green gas bodes well for your Company.

### Domestic Outlook:

The Indian economy presently is believed to have established itself on a healthy growth path and this would increase, going forward, the energy consumption in the country. This increase in consumption is expected

to be supplemented by an alteration in the primary energy mix with a major shift from oil to natural gas. The share of natural gas in the energy mix of India is expected to increase to 20% in 2025 as compared to 11% in 2010. However, given that all the plans for expansion in natural gas supply in the country with the help of additional RLNG terminals, nationwide transmission pipeline network and transnational pipelines are expected to materialize by 2025. It is envisaged that the share of natural gas in the primary energy mix would reach 20% till 2030 if not more.

India will emerge as the third largest energy consumer behind the US and China by 2030, according to IEA’s recently released India Energy Outlook.

### CGD Outlook:

India has made rapid strides in city gas distribution buoyed by the rising awareness of the use of clean energy, various policy measures to promote natural gas and the Government of India’s objective to transition to a gas-based economy. The increase in natural gas demand in CGD may also be attributable to GoI policy initiative of allocating domestic gas to CGDs. The demand will also increase with the build out of new CGD GAs as per 8th, 9th and 10th CGD bidding rounds.

Natural gas is expected to be the fastest growing fossil fuel, in sync with the government’s aim of developing a gas-based economy. Currently, around 17000 Kms long Natural Gas pipeline network is operational in the country. Further, an additional 15,000 Kms pipelines on the National Gas Grid are at various stages of development. This would ensure easy availability of natural gas across all regions while also potentially helping to achieve uniform economic and social progress.

Very recently, 166 Compressed Natural Gas (CNG) stations across India has been dedicated to the nation. As per the Ministry of Petroleum “In 2014, the country had only about 900 CNG stations. Today it has 4,500 CNG stations with plans to take this number to 8,000 in the next two years. The number of PNG (piped natural gas) connections has also crossed 95 lakh compared to about 24 lakh in 2014.”

### Opportunities:

Increasing natural gas in the power sector will also help scale-up renewable energy to 450 GW by 2030. A





series of policy initiatives in the last two years, including open access to the pipeline network, launch of a gas exchange and marketing reforms, stand testimony to the government's commitment to move towards cleaner fuels.

Investments in infrastructure will crucially enable this transition. According to the Minister of Petroleum and Natural Gas, an estimated \$60 billion will be invested for developing "One Nation One Gas Grid". Pipeline length will double over the next few years to exceed 32,000 km. In addition, city gas distribution (CGD) currently supplies to 7 million customers and is expected to expand.

The total supply of natural gas is expected to grow at a CAGR of 7.2% from 2012 to 2030 reaching 400 MMSCMD by 2021-22 and 474 MMSCMD by 2029-30.

### Challenges:

The oil and gas sector is passing through turbulence on the back of unprecedented oil/ LNG price declines, the falling demand, the current year outlook, the unprecedented COVID crisis, and the geo-political tensions brought on by the Russia-Ukraine war. The pandemic has devastated the global economy and left the fossil industry in complete disarray. The fall in demand has also been affected by the oil price war. While the demand for gas from the industrial sector recovered once the lockdown measures were eased, the demand from small and medium industries will take a longer time.

The main challenge before your Company, at present, is to sustain its operations in absence of the trunk pipeline, JHBDPL which was supposed to reach by end of the last calendar year. Due to geopolitical conditions, cost of the gas is on a continuous rise, which coupled with transportation cost, is posing strategic challenges for the company as it is in project phase and sourcing its gas through mobile cascades to seed the market.

### Risk Management and Internal Control:

Your Company has, recently, adopted Risk Management Policy. The Company has laid down a set of standards, processes, and structure for internal financial control across the organization and endures that the same are adequate and operating effectively.

### Financial Performance:

During the year under review, revenue from operations, of your Company, has increased from 0.19 lacs to 101.94

lacs. Total fixed assets including CWIP of your company, during the year has increased from ₹ 51 Crore to ₹ 237 Crore approximately.

### Shareholders 'Fund:

During the year under review, paid-up share capital of the company increased from ₹ 50.00 Cr to ₹ 259.07 Cr.

### Health, Safety and Environment:

Your Company believes that safety of its workforce and all its stakeholders is of critical importance to its functioning and success. It has incorporated all the necessary measures to promote the highest level of Safety, Health, Environment and loss control in all areas of implementation of the CGD projects; natural gas transmission; distribution through CGD network and CNG systems installed within and outside the city boundary; and the supply of PNG to various customers with clear emphasis on improving the environment for sustainable development. Various measures and best practices have been put in place to avoid injuries accidents or any other untoward incident. Your Company is committed to promoting globally comparable levels of HSE management in the areas of its business.

Employees and outsourced resources are encouraged to adopt safe working habits and behaviour to create positive HSE culture within the organization and report instances of unsafe practises adopted at any level of operation.

### Human Resource:

Company is run by the employees who are deputed from the promoter organizations and are guided by the rules and regulations of the promoter organizations. Presently, there are no employees on the roll of the Company. The Company has very recently adopted HR Policy for engagement of personnel on FTE basis.

### References:

1. "Vision 2030" Report by Industry Group to PNGRB
2. 'Hydrocarbon Vision 2025' Report
3. [https://www.business-standard.com/article/specials/india-s-bet-on-gas-based-economy-runs-into-ukraine-war-challenges-122071801004\\_1.html](https://www.business-standard.com/article/specials/india-s-bet-on-gas-based-economy-runs-into-ukraine-war-challenges-122071801004_1.html)
4. <https://www.thehindubusinessline.com/opinion/boosting-the-gas-economy/article35041571.ece>

## Report on Corporate Governance

### Company's Philosophy:

Your company's philosophy on Corporate Governance encompasses, within its ambit, both social and institutional aspects and is based on the principles of transparency, accountability, disclosure and integrity. Your company is committed to maximize long-term stakeholders value by adopting sustainable business practices and complying with the laws in letter and spirit.

### Board of Directors:

Your company being a Joint Venture of GAIL (India) Ltd and Greater Calcutta Gas Supply Corporation Ltd (the parties), is having Directors on the Board of the company

who are nominated by the GAIL and the GCGSCL from time to time as agreed between the parties in the Joint Venture Agreement (JVA) and hold the office at the pleasure of the respective parties until they are removed by them.

As per Clause 149 of the Articles of Association, Board of the company would consist of not less than 4 and not more than 15 Directors. Further, for every 24% of share capital held by a party, such party shall be entitled to nominate One (1) Director.

As on close of the Financial Year 2021-2022, the Board of your company consists of eight (8) Non-Executive Directors as provided hereunder:

| Director's Name           | Designation | Attendance at Board Meetings | AGM Attendance | Other Directorships |
|---------------------------|-------------|------------------------------|----------------|---------------------|
| Sh. R K Jain*             | Chairman    | 2                            | NA             | 6                   |
| Sh. E S Ranganathan#      | Chairman    | 4                            | Yes            | -                   |
| Smt. Sunrita Hazra        | Director    | 4                            | Yes            | 7                   |
| Sh. Goutom Chakraborty    | Director    | 6                            | Yes            | 1                   |
| Sh. Biswanath Chakrabarti | Director    | 5                            | Yes            | 2                   |
| Sh. KRM Rao**             | Director    | 1                            | NA             | 1                   |
| Sh. A K Tripathi**        | Director    | 1                            | NA             | 1                   |
| Sh. S. Sampth^            | Director    | 1                            | NA             | Nil                 |
| Sh. Kumar Shanker^^       | Director    | 1                            | NA             | Nil                 |

\* Appointed Chairman & Director w.e.f. 19.01.2022

# Ceased to be on the Board w.e.f. 18.01.2022

\*\* Appointed w.e.f. 04.03.2022

^ Appointed w.e.f. 09.03.2022

^^ Appointed w.e.f. 10.03.2022

### Board Meetings:

Board Meetings are held at prescribed intervals, after giving at least seven days' notice, as prescribed in the statute(s).

During the F.Y. 2021-2022 Six (06) meetings of the Board were held as provided hereinafter:

| Sl. No.          | Date of Board Meeting | Board Strength | Directors' Participation |
|------------------|-----------------------|----------------|--------------------------|
| 10 <sup>th</sup> | 27.05.2021            | 04             | 04                       |
| 11 <sup>th</sup> | 07.09.2021            | 04             | 04                       |
| 12 <sup>th</sup> | 17.09.2021            | 04             | 03                       |
| 13 <sup>th</sup> | 26.11.2021            | 04             | 03                       |
| 14 <sup>th</sup> | 25.02.2022            | 04             | 04                       |
| 15 <sup>th</sup> | 21.03.2022            | 08             | 07                       |

### Committee(s) of Board of Directors:

#### Audit Committee:

Your company has constituted Audit Committee and three (03) meetings of the Committee were held during the year as under:

| Date of Meeting | No. of Members entitled to Attend | No. of Members actually attended |
|-----------------|-----------------------------------|----------------------------------|
| 27.05.2021      | 04                                | 04                               |
| 07.09.2021      | 04                                | 04                               |
| 25.02.2022      | 03                                | 03                               |

Your company, being a Joint Venture company, was exempt from the requirement of constituting Audit & Nomination and Remuneration Committee of the Board



as per Rule 6 of the Cos. (Meetings of Board and its Powers) Rules, 2014 {as amended w.e.f. 13.07.2017} read with Rule 4 of the Cos. (Appointment and Qualification of Directors) Rules, 2014

Provisions of Section 135 of the Companies Act 2013, relating to CSR, are not applicable to the company, hence CSR Committee has not been constituted.

### Other Committee(s):

#### Committee of Directors:

Board has constituted a Committee of Directors (CoD) consisting of the following Board Members as the members of the CoD:

|                     |          |
|---------------------|----------|
| Sh. KRM Rao,        | Chairman |
| Sh. A K Tripathi,   | Member   |
| Smt. Sunrita Hazra, | Member   |
| Sh. S. Sampath      | Member   |

The main function of the Committee is to expedite the activities relating to Contract and Procurement by approving them, if the same falls within the powers of the Committee or otherwise, recommending to the Board approval.

#### Remuneration to Directors:

Your company is having Non-Executive Directors on the Board, who are nominated by the parties to the JVA. Your company doesn't pay any remuneration or sitting fee to any of the Directors.

### General Meetings:

#### Extra-Ordinary General Meeting:

An Extra-Ordinary General Meeting of the company was convened and held on 12.04.2021 whereby, Members approved the alteration in the Memorandum of the company by increasing its Authorized Share Capital.

### Details of the Annual General Meetings:

| No.             | Date       | Venue                            | Any Special Resolution   |
|-----------------|------------|----------------------------------|--|
| 1 <sup>st</sup> | 21.10.2020 | Registered Office of the Company | Under Section 180(1) (a) and 180(1)(c) of the Companies Act 2013 |
| 2 <sup>nd</sup> | 29.09.2021 | Registered Office of the Company | Under Section 62(3) of the Companies Act 2013                    |

### Details of the 3<sup>rd</sup> Annual General Meeting:

**Date : Tuesday, 27<sup>th</sup> September 2022**

**Time : 04.00 P. M**

**Venue : Finance Centre, 1<sup>st</sup> Floor, Block A, CBD, AA-IIB  
Newtown, Kolkata- 700161**

#### Audit and Auditors:

For the third successive year, there is no audit qualification in the report of the Statutory Auditors on the accounts of the Company for the year ended 31st March 2022.

C & AG has provided a "Nil" report for this F.Y. also.

#### Secretarial Audit:

The Company has carried out the Secretarial Audit for the year under review which forms part of the Annual Report.

#### Shareholding:

Shareholding Pattern of the company is as under:

| No.              | As on 31.03.2021 | As on 31.03.2022 |
|------------------|------------------|------------------|
| GAIL (India) Ltd | 50%              | 77.2%            |
| GCGSCL, Kolkata  | 50%              | 22.8%            |

#### Means of Communication:

Company has a website <https://bgcl.co.in> where all the information relating to interest of various stakeholders are webhosted from time to time.

**Annexure-A**

## FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangement or transactions not at arm's length basis: NIL
2. Details of contracts or arrangement or transactions at arm's length basis:

|  |  |
|--|--|
| a) Name(s) of the related party and nature of relationship                                     | GAIL (India) Ltd. <b>and</b><br>Greater Calcutta Gas Supply Corporation Ltd  |
| b) Nature of contracts/ arrangements/ transactions   | Nature of Transactions with <b>GAIL</b> :<br><ol style="list-style-type: none"> <li>1. Deputation of Employees</li> <li>2. Purchase of Natural Gas and Compression Charges</li> <li>3. Reimbursement of Expenses</li> </ol> Nature of Transactions with <b>GCGSCL</b> :<br><ol style="list-style-type: none"> <li>1. Deputation of Employee</li> </ol> |
| c) Duration of the contracts / arrangements/transactions                                       | 01.04.2021-31.03.2022  |
| d) Salient terms of the contracts or arrangements or transactions including the value, if any: | Ordinary Course and Arm's Length Basis. Value as disclosed in the notes to the Annual Accounts   |
| e) Date(s) of approval by the Board, if any:   | Not Applicable   |
| f) Amount paid as advances, if any   | --   |

For and on behalf of Board of Directors,

Sd/-

**Rakesh Kumar Jain**  
Chairman  
(DIN: 08788595)

Place: New Delhi  
Date: 15.09.2022



Inauguration of BGCL office by Chairman



# SECRETARIAL AUDITORS' REPORT





## Annexure-B

# Form No. MR-3

## For the Financial Year ending March 31, 2022 ('Audit Period')

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

To,

### The Members

### Bengal Gas Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bengal Gas Company Limited, an unlisted Public 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Company is not a listed Company. Hence, the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under are not applicable to it;
- (iii) The Company is not a listed Company. Hence, the Depositories Act, 1996 and the Regulations and Bye-laws framed there under are not applicable to it;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The Company is not a listed company. Hence, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to it:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) The Company is a Joint Venture Company in between M/s GAIL (India) Limited (a Central Government undertaking) with M/s Greater Calcutta Gas Supply Corporation Limited (a State Government of Company) and is incorporated with the objective of laying of Gas pipelines and supply of Gas both for commercial and domestic consumption.

The management has identified the following specific laws (based upon the nature of Company) are applicable to the Company in addition to all other normal laws that are applicable to all Companies, during the Financial Year.

- 1) The Petroleum and Natural Gas Regulatory Board Act, 2006
- 2) The Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008

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

- (i) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by ICSI and made effective from 1<sup>st</sup> July, 2015.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) made effective from 1<sup>st</sup> December, 2015. (The Company is not a listed company. Hence, various clauses of Listing Agreement/ SEBI (LODR) Regulations are not applicable to it)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and we have not found any such non-compliances for reporting it as specific observation in this Report .

### **Management Responsibility:**

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 the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of

Accounts of the Company;

4. 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.

### **We further report that:**

The Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further the Company is not covered under Section 149 read with Sub Rule 1 of Rule 4 of Companies (Appointment of Directors), Rule, 2014 regarding Independent Directors, as the Company is a Joint-Venture in between GAIL (India) Ltd and Greater Calcutta Gas Supply Corporation Ltd.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period there has been some specific events or actions having a major bearing on the Company's affair in pursuance of the Companies Act, 2013, rules and regulations:

1. The shareholders of the Company in an Extraordinary General Meeting held on 12.04.2021 has passed special resolution :





- a. In terms of the provisions of Section 180 (c) of the Companies Act, 2013, authorizing Board of Directors to make borrowings which might exceed paid up capital and free reserves to the extent of ₹ 3,250 crores.
  - b. In terms of the provisions of Section 180 (1) (a) of the Companies Act, 2013, authorizing the Board of Directors to hypothecate, charge, creation of security on the assets of the Company for the borrowings made by the Company.
2. The shareholders of the Company in the Annual General Meeting held on 29.09.2021 has passed special resolution for conversion of outstanding rupee facility into equity in terms of loan agreement under section 62(3) of the Companies Act, 2013.
3. During the year the Company has allotted 20,90,70,000 (Twenty Crores Ninety Lakhs Seventy Thousand) equity shares of ₹ 10/- each at par and the allotment details are as follows:
- a. In the board meeting held on 19<sup>th</sup> May, 2021, 2,50,00,000 (Two Crores Fifty Lakhs) no. of shares were allotted.
  - b. In the board meeting held on 17<sup>th</sup> September, 2021, 3,40,70,000 (Three Crores Forty Lakhs and Seventy Thousand) no. of shares were allotted.
  - c. In the board meeting held on 26<sup>th</sup> November, 2021, 7,50,00,000 (Seven Crores Fifty Lakhs) no. of shares were allotted.
  - d. In the board meeting held on 25<sup>th</sup> February, 2022, 7,50,00,000 (Seven Crores Fifty Lakhs) no. of shares were allotted.

**For D. Raut & Associates**

Sd/-

**Debendra Raut**

ACS-16626 , CP-5232

UDIN: A016626D000809550

Place: Kolkata

Dated :18-08-2022

This report to be read with the **annexure 1** enclosed.



Chairman and other delegates at Bengal Global Trade Expo

### **Annexure:-1**

Our Secretarial Audit Report is to be read along with this letter.

#### **Management's Responsibility:**

1. It is the responsibility of the management of the Company to maintain the Secretarial records and to devise proper systems to ensure compliance of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. The Compliance of the provisions of the Act, and other applicable laws, rules, regulations, standards is the responsibility of management.

#### **Responsibility of Secretarial Auditor:**

2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.

3. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

#### **Disclaimer:**

4. 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.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The Liability of the issuer of the Audit Report is limited to the Professional Fee that he has received for this assignment.



# INDEPENDENT AUDITORS' REPORT



## INDEPENDENT AUDITORS' REPORT

To the Members of

**BENGAL GAS COMPANY LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of BENGAL GAS COMPANY 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 notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022 and the Loss and other comprehensive Income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Information other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, but does not include the Financial Statements and our auditor's report thereon.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant



to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 also 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.

As part of an audit in accordance with SAs, we exercise professional judgement 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, misinterpretations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expression our opinion on whether

the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure - A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, based on our audit 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), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account ;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ;
  - e) Pursuant to the Notification No. GSR 463 (E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub section (2) of Section 164 of the Companies Act, 2013 are not applicable to the Company, being a Government Company ;
  - f) Pursuant to Notification No. GSR 463 (E) dated 05<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company ;
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure - B**";
  - h) As required by section 143 (5) of the Companies Act, 2013, our comments with regard to directions and additional directions issued by the Comptroller and Auditor General of India is given in "**Annexure - C**";
  - i) 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 does not have any pending litigations as at March, 31, 2022 which would impact its financial position.
    - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
    - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share



- premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. No Dividend has been declared or paid by the company during the year.

Dated : 25<sup>th</sup> April 2022  
Place : Kolkata

**For VIMAL & SEKSARIA**  
Chartered Accountants  
[ Firm Registration No. : 319194 E ]

Sd/-  
**Ritesh Vimal**  
Partner  
[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (1) of the Independent Auditors' Report of even date to the members of **BENGAL GAS COMPANY LIMITED** on the Financial Statements as at 31<sup>st</sup> March 2022 and for the year ended on that date]

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- (c) The title deed of the immoveable property (other than the property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets during the year. Accordingly, the provisions of Clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, having regard to the nature of the inventory of Compressed Natural Gas, the management has followed a policy for estimation of quantity of Compressed Natural Gas which is based on volume of cascades containing the Compressed Natural Gas considering the standard temperature and pressure since as per the management it is not possible to physically verify the same.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the company has not been sanctioned working capital limits in excess of Rs.5 Crores in aggregate at any point of time during the year from banks or financial institutions on the basis of security of Current Assets. 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 on the basis of our examination of the records of the company, we report that during the year, the company has not made investments in, 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 any other parties. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act are applicable. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under sub - section (1) of Section 148 of the Act for the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing the





undisputed statutory dues including Goods and Services Tax, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, value Added Tax, Cess and any other Statutory Dues, as applicable, to the appropriate authorities. There are no undisputed statutory dues as at the last day of the year which have been outstanding for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, there are no statutory dues referred to in sub clause (a) which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that there are no transactions which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company does not have any loans or other borrowings. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has made rights issue of shares and the provisions of section 62 of the Companies Act, 2013 have been duly complied with and the funds have been used for the purposes for which the funds were raised.
- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no fraud by the company or fraud on the company has been noticed or reported during the year.
- (b) No report under sub – section (12) of section 143 of the Companies Act, 2013 is required to be filed by us in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no whistle blower complaints have been received during the year by the company.
- (xii) The company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that all transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system, which in our opinion, is commensurate with the size and nature of its business.
- (b) The report of the Internal Auditors for the period under audit has been considered by us.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the Company has not entered into any non - cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us and on the basis of our examination of the records, the Company is not required to be registered under Section 45 – IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

- (xvii) The Company has incurred cash loss of ₹708.12 Lacs in the financial year and ₹193.70 Lacs in the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors during the year. Accordingly, the provisions of Clause 3(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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liability 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 upto 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the provisions of section 135 of the Companies Act, 2013 are not applicable to the company. Accordingly, the provisions of Clause 3(xx) of the Order are not applicable to the Company.
- (xxi) According to the information and explanations given to us and on the basis of our examination of the records, we report that the company does not have any Subsidiaries, Joint Venture or Associate Companies. Accordingly, the provisions of Clause 3(xxi) of the Order are not applicable to the Company.

Dated : 25<sup>th</sup> April 2022  
Place : Kolkata

**For VIMAL & SEKSARIA**  
Chartered Accountants  
[ Firm Registration No. : 319194 E ]

Sd/-  
**Ritesh Vimal**  
Partner  
[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2 (g) of the Independent Auditor's Report of even date to the members of **BENGAL GAS COMPANY LIMITED** on the Financial Statements for the year ended March 31, 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')**

We have audited the internal financial controls over financial reporting of **BENGAL GAS COMPANY LIMITED ("the Company")** as of 31<sup>st</sup> March 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 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "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") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

Dated : 25<sup>th</sup> April 2022  
Place : Kolkata

### **Opinion**

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

**For VIMAL & SEKSARIA**  
Chartered Accountants  
[ Firm Registration No. : 319194 E ]

Sd/-  
**Ritesh Vimal**  
Partner  
[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598



## **ANNEXURE - C TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2 (h) of the Independent Auditor's Report of even date to the members of BENGAL GAS COMPANY LIMITED on the Financial Statements for the year ended March 31, 2022

### **Replies to the Directions issued to Statutory Auditors under Section 143 (5) of the Companies Act, 2013**

| <b>S. No.</b> | <b>Point</b>   | <b>Reply</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 transactions outside the IT system on the integrity of the accounts along with the financial implications, if any, may be stated.  | On the basis of the information and explanation given to us and on the basis of our examination of the records, the Company has been using Tally ERP 9 for its accounting transactions. No accounting transactions are processed out of the IT system hence there is no adverse financial implication on the integrity of the accounts. |
| 2             | Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan ? If yes, the financial impact may be stated. Whether such cases are properly accounted for ? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company). | On the basis of the information and explanation given to us and on the basis of our examination of the records, the company has not taken any loan from any lender hence there is no restructuring of loan or case of waiver / write off of debts / loans / interest etc.   |
| 3             | Whether funds (grants / subsidy etc) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for / utilized as per its term and conditions ? List the cases of deviation.   | On the basis of the information and explanation given to us and on the basis of our examination of the records of the Company, no funds have been received or are receivable for specific schemes from Central / State Government or its agencies.  |

Dated : 25<sup>th</sup> April 2022  
Place : Kolkata

**For VIMAL & SEKSARIA**  
Chartered Accountants  
[ Firm Registration No. : 319194 E ]

Sd/-  
**Ritesh Vimal**  
Partner  
[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598



Bengal Global Trade Expo-2022



# FINANCIAL STATEMENTS



**BENGAL GAS COMPANY LIMITED**
**Balance Sheet as at 31<sup>st</sup> March 2022**

(₹ in Lakh)

| Particulars                               | Notes | As at<br>31 <sup>st</sup> March 2022 | As at<br>31 <sup>st</sup> March 2021 |
|---|-------|--------------------------------------|--------------------------------------|
| <b>ASSETS</b>                             |       |                                      |                                      |
| <b>Non Current Assets</b>                 |       |                                      |                                      |
| (a) Property, Plant and Equipment         | 2     | 1,264.82                             | 531.78                               |
| (b) Intangible Assets                     | 2A    | 0.27                                 | 0.40                                 |
| (c) Right to Use Assets                   | 2B    | 940.79                               | -                                    |
| (d) Capital Work In Progress              | 3     | 26,616.34                            | 4,542.48                             |
| (e) Deferred Tax Assets (Net)             | 4     | 195.61                               | -                                    |
| (f) Other Non Current Assets              | 5     | 40.73                                | 37.14                                |
| <b>Total Non Current Assets</b>           |       | <b>29,058.55</b>                     | <b>5,111.79</b>                      |
| <b>Current Assets</b>                     |       |                                      |                                      |
| (a) Inventories                           | 6     | 1.94                                 | 0.36                                 |
| (b) Financial assets                      |       |                                      |                                      |
| (i) Trade Receivables                     | 7     | 15.27                                | 0.20                                 |
| (ii) Cash and Cash equivalents            | 8     | 6,465.75                             | 1,623.84                             |
| (iii) Bank Balances other than (ii) above | 9     | 1,562.09                             | 2,374.58                             |
| (iv) Other Financial Assets               | 10    | 46.60                                | 23.59                                |
| (c) Other Current Assets                  | 11    | 41.31                                | 969.15                               |
| <b>Total Current Assets</b>               |       | <b>8,132.96</b>                      | <b>4,991.72</b>                      |
| <b>Total Assets</b>                       |       | <b>37,191.51</b>                     | <b>10,103.51</b>                     |
| <b>EQUITY AND LIABILITIES</b>             |       |                                      |                                      |
| <b>Equity</b>                             |       |                                      |                                      |
| (a) Equity Share Capital                  | 12    | 25,907.00                            | 5,000.00                             |
| (b) Other Equity                          | 13    | (875.87)                             | 2,182.12                             |
| <b>Total equity</b>                       |       | <b>25,031.13</b>                     | <b>7,182.12</b>                      |
| <b>Liabilities</b>                        |       |                                      |                                      |
| <b>Non Current Liabilities</b>            |       |                                      |                                      |
| (a) Financial Liabilities                 |       |                                      |                                      |
| (i) Lease Liabilities                     | 14    | 28.52                                | -                                    |
| <b>Total Non Current Liabilities</b>      |       | <b>28.52</b>                         | <b>-</b>                             |
| <b>Current Liabilities</b>                |       |                                      |                                      |
| (a) Financial Liabilities                 |       |                                      |                                      |
| (i) Trade Payables                        |       |                                      |                                      |
| - Dues of Micro and Small Enterprises     | 15    | -                                    | -                                    |
| - Other than Micro and Small Enterprises  | 15    | 10,007.01                            | 2,678.57                             |
| (ii) Other Financial Liabilities          | 16    | 2,069.24                             | 212.21                               |
| (b) Other Current Liabilities             | 17    | 46.14                                | 30.41                                |
| (c) Provisions                            | 18    | 9.47                                 | 0.20                                 |
| <b>Total Current Liabilities</b>          |       | <b>12,131.86</b>                     | <b>2,921.39</b>                      |
| <b>Total Equity and Liabilities</b>       |       | <b>37,191.51</b>                     | <b>10,103.51</b>                     |

The accompanying notes forming part of the financial statements

This is the Balance Sheet referred to in our report of even date


**For VIMAL & SEKSARIA**  
Chartered Accountants  
[Firm Registration No. : 319194 E]

Sd/-  
**Ritesh Vimal**  
Partner

[ Membership No. : 061327 ]  
UDIN : 22061327AJDRU9598

Sd/-  
**(G. Singh)**  
CS  
PAN - COKPS6727L

Sd/-  
**(Sunrita Hazra)**  
Director  
DIN - 3087356

Sd/-  
**(P.K.Ray)**  
CFO  
PAN - ACDPR7010C

Sd/-  
**(S.Bairagi)**  
CEO  
PAN - ABIPB7009H

Sd/-  
**(R K Jain)**  
Chairman  
DIN - 8788595

For and on behalf of Board

Dated : 25<sup>th</sup> April 2022  
Place: Kolkata





## BENGAL GAS COMPANY LIMITED

### Statement of Profit and Loss for the financial year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

| Particulars  | Notes | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|--|-------|---|---|
| <b>I Income</b>  |       |   |   |
| Revenue from Operations  | 19    | 101.94  | 0.19  |
| Other Income   | 20    | 111.77  | 139.71  |
| <b>Total Income</b>  |       | <b>213.70</b>                                     | <b>139.90</b>                                     |
| <b>II Expenses</b>   |       |   |   |
| Purchase of Stock In Trade   | 21    | 132.46  | 16.35   |
| Changes in Inventories of Stock in Trade   | 22    | (1.58)  | (0.36)  |
| Employee Benefit Expenses  | 23    | 362.40  | 196.39  |
| Finance Cost   | 24    | 0.58  | -   |
| Depreciation and Amortisation Expenses   | 2     | 43.97   | 15.39   |
| Other Expenses   | 25    | 253.99  | 121.21  |
| <b>Total Expenses</b>  |       | <b>791.81</b>                                     | <b>349.00</b>                                     |
| <b>Profit / (Loss) Before Tax</b>  |       | <b>(578.11)</b>                                   | <b>(209.09)</b>                                   |
| <b>IV Tax Expense</b>  |       |   |   |
| Current Tax  |       |   |   |
| Deferred Tax   |       | 195.61  | -   |
| <b>V Profit / (Loss) for the year</b>  |       | <b>(382.50)</b>                                   | <b>(209.09)</b>                                   |
| Other Comprehensive Income   |       | -   | -   |
| <b>VII Total Comprehensive Income / (Expense) for the year</b>                                 |       | <b>(382.50)</b>                                   | <b>(209.09)</b>                                   |
| <b>Earnings / (Loss) per equity share (In Rupees) :<br/>(Face value of share of ₹ 10 each)</b> |       |   |   |
| Basic  |       | (0.31)  | (0.42)  |
| Diluted  |       | (0.31)  | (0.42)  |

The accompanying notes forming part of the financial statements  
This is the Statement of Profit & Loss referred to in our report of even date



**For VIMAL & SEKSARIA**  
Chartered Accountants  
[Firm Registration No. : 319194 E]

Sd/-  
**Ritesh Vimal**  
Partner

[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598

Dated : 25<sup>th</sup> April 2022  
Place: Kolkata

Sd/-  
**(G. Singh)**  
CS  
PAN - COKPS6727L

Sd/-  
**(Sunrita Hazra)**  
Director  
DIN - 3087356

Sd/-  
**(P.K.Ray)**  
CFO  
PAN - ACDPR7010C

Sd/-  
**(S.Bairagi)**  
CEO  
PAN - ABIPB7009H

Sd/-  
**(R K Jain)**  
Chairman  
DIN - 8788595

For and on behalf of Board

**BENGAL GAS COMPANY LIMITED**
**Statement of Cash Flows for the financial year ended 31<sup>st</sup> March 2022**

(₹ in Lakh)

| Particulars   | For the Year Ended<br>31 <sup>st</sup> March 2022 |                    | For the Year Ended<br>31 <sup>st</sup> March 2021 |                   |
|---|---|--------------------|---|-------------------|
| <b>A. Cash Flow from Operating activities:</b>                  |   |                    |   |                   |
| <b>Profit / (Loss) before Tax</b>                               |   | <b>(578.11)</b>    |   | <b>(209.09)</b>   |
| <b>Adjustments for</b>  |   |                    |   |                   |
| Depreciation  | 43.97   |                    | 15.39   |                   |
| Finance Cost  | 0.58  |                    | -   |                   |
| Interest Income   | (111.77)  | (67.22)            | (139.59)  | (124.20)          |
| <b>Operating profit before working capital changes</b>          |   | <b>(645.33)</b>    |   | <b>(333.29)</b>   |
| <b>Adjustments for (increase)/decrease in working capital</b>   |   |                    |   |                   |
| Other Financial Assets  | (23.01)   |                    | 5.57  |                   |
| Inventories   | (1.58)  |                    | (0.36)  |                   |
| Trade Receivables   | (15.07)   |                    | (0.20)  |                   |
| Other Current Assets  | 927.84  |                    | (948.73)  |                   |
| Trade Payables  | 7,328.44  |                    | 1,240.94  |                   |
| Other Financial Liabilities                                     | 1,857.03  |                    | 210.33  |                   |
| Other Current Liabilities                                       | 15.73   |                    | 1.14  |                   |
| Provisions  | 9.27  | 10,098.66          | -   | 508.69            |
| <b>Cash generated from operations</b>                           |   | <b>9,453.33</b>    |   | <b>175.40</b>     |
| Income Tax paid   |   | (3.59)             |   | (11.53)           |
| <b>Net cash generated from operating activities</b>             |   | <b>9,449.73</b>    |   | <b>163.87</b>     |
| <b>B. Cash Flow from Investing activities:</b>                  |   |                    |   |                   |
| Purchase of Fixed Assets  | (774.32)  |                    | (509.50)  |                   |
| Leasehold Land  | (914.83)  |                    | -   |                   |
| Expenses on Capital Work In Progress                            | (22,073.86)                                       |                    | (3,384.02)  |                   |
| Fixed Deposit   | 812.49  |                    | (54.60)   |                   |
| Interest Received   | 111.77  | (22,838.76)        | 139.59  | (3,808.53)        |
| <b>Net cash flow from investing activities</b>                  |   | <b>(22,838.76)</b> |   | <b>(3,808.53)</b> |
| <b>C. Cash Flow from Financing activities:</b>                  |   |                    |   |                   |
| Finance Cost  |   | (0.58)             |   | -                 |
| Net Proceeds from Issue of Shares                               |   | 18,231.51          |   | -                 |
| Share Application Money   |   | -                  |   | 2,500.00          |
| <b>Net cash from financing activities</b>                       |   | <b>18,230.93</b>   |   | <b>2,500.00</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>     |   | <b>4,841.91</b>    |   | <b>(1,144.66)</b> |
| <b>Cash and cash equivalents at the beginning of the period</b> |   | <b>1,623.84</b>    |   | <b>2,768.50</b>   |
| <b>Cash and cash equivalents at the end of the period</b>       |   | <b>6,465.75</b>    |   | <b>1,623.84</b>   |
| <b>Balance with Banks</b>                                       |   |                    |   |                   |
| Balance in Bank Accounts  |   | 111.78             |   | 823.73            |
| Cheques in Hand   |   | -                  |   | 0.11              |
| Fixed Deposits with original maturity of less than 3 months     |   | 6,353.96           |   | 800.00            |
|   |   | <b>6,465.75</b>    |   | <b>1,623.84</b>   |

The accompanying notes forming part of the financial statements  
This is the Cash Flow Statement referred to in our report of even date

**For VIMAL & SEKSARIA**  
Chartered Accountants  
[Firm Registration No. : 319194 E]

For and on behalf of Board



Dated : 25<sup>th</sup> April 2022  
Place: Kolkata

Sd/-  
**Ritesh Vimal**  
Partner  
[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598

Sd/-  
**(G. Singh)**  
CS  
PAN - COKPS6727L

Sd/-  
**(Sunrita Hazra)**  
Director  
DIN - 3087356

Sd/-  
**(P.K.Ray)**  
CFO  
PAN - ACDPR7010C

Sd/-  
**(S.Bairagi)**  
CEO  
PAN - ABIPB7009H

Sd/-  
**(R K Jain)**  
Chairman  
DIN - 8788595



## BENGAL GAS COMPANY LIMITED

### Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2022

#### A) Equity Share Capital

For the Financial Year 2021 - 2022

(₹ in Lakh)

| Balance at the 1 <sup>st</sup> April, 2021 | Change in Equity Share Capital due to prior period error | Restated balance at the 1 <sup>st</sup> April, 2021 | Changes in Equity Share Capital during Financial Year 2021 - 22 | Balance as at 31 <sup>st</sup> March 2022 |
|--|--|---|---|---|
| 5,000.00                                   | -  | 5,000.00  | 20,907.00   | 25,907.00                                 |

For the Financial Year 2021 - 2022

(₹ in Lakh)

| Balance at the 1 <sup>st</sup> April, 2020 | Change in Equity Share Capital due to prior period error | Restated balance at the 1 <sup>st</sup> April, 2020 | Changes in Equity Share Capital during Financial Year 2020 - 21 | Balance as at 31 <sup>st</sup> March 2021 |
|--|--|---|---|---|
| 5,000.00                                   | -  | 5,000.00  | -   | 5,000.00                                  |

#### B) Other Equity

Reporting Period 2021 - 2022

(₹ in Lakh)

| Particulars   | Shares Application Money Pending allotment | Equity Component of Compound financial instruments | Reserves and Surplus |                    |                   | Other items of Other Comprehensive Income | Total      |
|---|--|--|----------------------|--------------------|-------------------|---|------------|
|   |  |  | Capital Reserve      | Securities Premium | Retained Earnings |   |            |
| Balance at the 01 <sup>st</sup> April 2021                              | 2,500.00                                   | -  | -                    | -                  | (317.88)          | -   | 2,182.12   |
| Changes in accounting policy or prior period errors                     | -  | -  | -                    | -                  | -                 | -   | -          |
| Restated balance at the beginning of the reporting period F.Y 2021 - 22 | 2,500.00                                   | -  | -                    | -                  | (317.88)          | -   | 2,182.12   |
| Total Comprehensive Income for the FY 2021 - 22                         | -  | -  | -                    | -                  | (382.50)          | -   | (382.50)   |
| Dividends   | -  | -  | -                    | -                  | -                 | -   | -          |
| Transfer to Retained Earnings   | -  | -  | -                    | -                  | -                 | -   | -          |
| Share Issue Expenses  | -  | -  | -                    | -                  | (175.49)          | -   | (175.49)   |
| Any other change - Issue of Shares                                      | (2,500.00)                                 | -  | -                    | -                  | -                 | -   | (2,500.00) |
| Balance as at 31 <sup>st</sup> March 2022                               | -  | -  | -                    | -                  | (875.87)          | -   | (875.87)   |

Previous Reporting Period 2020 - 2021

(₹ in Lakh)

| Particulars   | Shares Application Money Pending allotment | Equity Component of Compound financial instruments | Reserves and Surplus |                    |                   | Other items of Other Comprehensive Income | Total    |
|---|--|--|----------------------|--------------------|-------------------|---|----------|
|   |  |  | Capital Reserve      | Securities Premium | Retained Earnings |   |          |
| Balance at the 01 <sup>st</sup> April 2020                              | -  | -  | -                    | -                  | (108.78)          | -   | (108.78) |
| Changes in accounting policy or prior period errors                     | -  | -  | -                    | -                  | -                 | -   | -        |
| Restated balance at the beginning of the reporting period F.Y 2020 - 21 | -  | -  | -                    | -                  | (108.78)          | -   | (108.78) |
| Total Comprehensive Income for the F.Y 2020 - 21                        | -  | -  | -                    | -                  | (209.09)          | -   | (209.09) |
| Dividends   | -  | -  | -                    | -                  | -                 | -   | -        |
| Transfer to Retained Earnings   | -  | -  | -                    | -                  | -                 | -   | -        |

| Particulars                                     | Shares Application Money Pending allotment | Equity Component of Compound financial instruments | Reserves and Surplus |                    |                   | Other items of Other Comprehensive Income | Total    |
|---|--|--|----------------------|--------------------|-------------------|---|----------|
|   |  |  | Capital Reserve      | Securities Premium | Retained Earnings |   |          |
| Any other change - Receipt of Share Application | 2,500.00                                   | -  | -                    | -                  | -                 | -   | 2,500.00 |
| Balance as at 31 <sup>st</sup> March 2021       | 2,500.00                                   | -  | -                    | -                  | (317.87)          | -   | 2,182.13 |

The accompanying notes forming part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date



**For VIMAL & SEKSARIA**  
Chartered Accountants  
[Firm Registration No. : 319194 E]

Sd/-  
**Ritesh Vimal**  
Partner

[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598

Sd/-  
**(G. Singh)**  
CS  
PAN - COKPS6727L

Sd/-  
**(Sunrita Hazra)**  
Director  
DIN - 3087356

Sd/-  
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CFO  
PAN - ACDPR7010C

Sd/-  
**(S.Bairagi)**  
CEO  
PAN - ABIPB7009H

Sd/-  
**(R K Jain)**  
Chairman  
DIN - 8788595

For and on behalf of Board

Dated : 25<sup>th</sup> April 2022  
Place: Kolkata



## BENGAL GAS COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2022

### 1 A. Corporate Information and Significant Accounting Policies

#### Corporate Information / Company Overview

Bengal Gas Company Limited ("BGCL" or the company) is a limited company domiciled in India and was incorporated on 4<sup>th</sup> January 2019. The Company is a joint venture of GAIL (India) Limited, a Government of India undertaking and Greater Calcutta Gas Supply Corporation Limited (GCGSCL), a Government of West Bengal Enterprise. As on 31st March 2022, GAIL (India) Ltd. is holding 77 % and Greater Calcutta Gas Supply Corporation Limited is holding 23 % in BGCL. The registered office of the company is located at 4th Floor, Block B, Finance Centre CBD, Action Area - II B, New Town, Kolkata, West Bengal – 700 156. The company has been incorporated to develop City Gas Distribution (CGD) network in Kolkata and parts of adjoining districts of North 24 Parganas, South 24 Parganas, Howrah, Hooghly and Nadia to cater to gas supply to customers in the domestic, transport, and commercial sectors.

The financial Statements of the Company were authorized for issue in accordance with a resolution of the Board of Directors on 25<sup>th</sup> April 2022.

#### Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared as a going concern on accrual basis of accounting.

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparation of these Financial Statements.

The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. The Company's Financial Statement is presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest Lacs.

#### Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. As the operating cycle cannot be identified in normal course due to special nature of industry, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

#### Accounting Policies

##### 1.1 Property Plant and Equipment (PPE)

###### a) Tangible Assets

- (i) Property, Plant and Equipment are stated at original cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation/ amortization and cumulative impairment losses (if any). Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.
- (ii) Stores & Stores which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying asset. Major inspection / overhaul / repair is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.
- (iii) Technical know-how / license fee incurred at the time of procurement of PPE are capitalised as part of the underlying asset.

###### b) Intangible Assets

Intangible assets like Right of Use (RoU), Software, Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

## 1.2 Capital Work In Progress

- (a) The capital work in progress includes Construction Stores including Material in Transit / Equipment / Services, etc. received at site for use in the projects.
- (b) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.
- (c) Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.
- (d) Development costs of products are charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

## 1.3 Foreign Currency Transaction

- (a) Functional Currency of the Company is Indian Rupee (INR).
- (b) Transactions in foreign currency are initially accounted at the exchange rate prevailing on the transaction date.
- (c) Monetary items (such as Cash, Receivables, Loans, Payables, etc.) denominated in foreign currencies, outstanding at the year end, are translated at exchange rates (BC Selling Rate for Payables and TT Buying Rate for Receivables) prevailing at year end.
- (d) Non-monetary items (such as Investments, Property plant and equipment, etc.), denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transactions.
- (e) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.
- (f) Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

## 1.4 Borrowing Cost

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

## 1.5 Inventories

Stock in Trade of Compressed Natural Gas (CNG) is valued at cost on First in First out (FIFO) basis or net realizable value, whichever is lower.

## 1.6 Revenue Recognition

- (a) Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control.
- (b) Insurance claims (if any) are accounted for on the basis of claims admitted by the insurers.
- (c) Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.
- (d) Interest income and expenses are reported on an accrual basis using the effective interest method.

## 1.7 Depreciation / Amortization

### (a) Tangible Assets

Depreciation on Tangible PPE is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013, on straight line method (SLM) on pro-rata basis (monthly pro-rata for bought out assets).

### (b) Intangible Assets

- (i) Intangible assets comprising software and licenses are amortized on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

Right of Use (RoU) having indefinite life (for which there is no foreseeable limit to the period over which



they are expected to generate net cash flows given the fact that these rights can be used even after the life of the respective asset) are not amortised, but are tested for impairment annually.

- (ii) After impairment of assets, if any, depreciation is provided on the revised carrying amount of assets over its remaining useful life.

### 1.8 Employee Benefits

The Company at present does not have any employees. All employees of the company are arranged on deputation from Parent companies or hired under peripheral manpower contract. Claims raised by the parent companies/contractors in respect of such employees deputed to the company is considered as an employee benefit. No Short Term / Long Term Employment obligations other than those payable to the parent companies/contractors are envisaged and hence not been considered. The company is not required to take registration and comply with the Employee Provident Fund and Miscellaneous Provisions Act, 1952.

### 1.9 Impairment of Non – Financial Assets

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

### 1.10 Provision, Contingent Liabilities, Contingent Assets and Capital Commitments

- (a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities/assets exceeding in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.
- (b) Estimated amount of contracts remaining to be executed on capital accounts are disclosed each case above ₹ 5 lacs.

### 1.11 Taxes on Income

(a) Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period.

- (b) Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date. Deferred Tax Asset is recognized when it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

### 1.12 Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 1.13 Segment Reporting

Presently the company has only one operating and reporting segment i.e. City Gas Distribution Network which is based on the information reported to the chief operating decision maker (CODM) in accordance with the requirements of Indian Accounting Standard 108 – “Operating Segment Reporting”, notified under the Companies (Indian Accounting Standards) Rules, 2015.

### 1.14 Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

### 1.15 Leases

The Company assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### (a) Company as a Lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company

recognises lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

**i) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

**ii) Determination of discount rate as a lessee**

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease

**iii) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**iv) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition

exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**(b) Company as a Lessor (Assets given on lease)**

When the company acts as lessor, it determines at the lease commencement whether lease is finance lease or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(c) Lease Land**

Land having lease term of 70 years and above are accounted for as finance leases which are recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land having lease term of below 70 years are treated as operating leases.

**1.16 Liquidated Damages / Price Reduction Schedule**

Amount recovered towards Liquidated Damages / Price Reduction Schedule are adjusted / appropriated as and when the matter is settled.

**1.17 Cash Flow Statement**

Cash Flow statement is prepared in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.





## 1.18 Fair Value Measurement

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet 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) market prices in active markets for identical assets or liabilities

**Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

## 1.18 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.

### (a) Financial Assets

#### (i) Classification

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

#### (ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

#### (iii) Subsequent measurement

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

#### - **Financial assets carried at amortised cost**

A financial asset other than derivatives and specific investments, is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### - **Financial assets at fair value through other comprehensive income**

A financial asset other than derivatives comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### - **Financial assets at fair value through Statement of Profit and Loss**

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

#### (iv) Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### (v) Impairment of other financial assets

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

### (b) Financial Liabilities

#### (i) Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss.

#### (ii) Initial recognition and measurement

All financial liabilities are recognized initially at fair value

and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

**(iii) Subsequent measurement**

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

**- Financial assets carried at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of 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 costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**- Financial liabilities at fair value through Statement of Profit & Loss**

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

**(iv) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**(c) 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 realize the assets and settle the liabilities simultaneously.

**1 B. Significant Accounting Judgements, Estimates and Assumptions**

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

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

**1. Judgements**

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

**1.1 Contingencies**

Contingent liabilities and assets which may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involve the exercise of significant judgements and the use of estimates regarding the outcome of future events.

**2. 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 adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company determines its assumptions and estimates on parameters available when the financial statements are prepared.



Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **2.1 Impairment of non - financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

### **2.2 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques

including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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.

### **2.3 Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Impairment of investment in subsidiaries, joint ventures or associates is based on the impairment calculations using discounted cash flow/net asset value method, valuation report of external agencies, Investee Company's past history etc.

**BENGAL GAS COMPANY LIMITED**
**Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March 2022**
**2. Property, Plant & Equipment**
**Property, Plant & Equipment for the financial year ended 31<sup>st</sup> March 2022**

(₹ in Lakh)

| Particulars             | Gross Block                       |                           |                                 |                                   | Depreciation                      |              |                                 |                                   | Net Block                         |
|-------------------------|-----------------------------------|---------------------------|---------------------------------|-----------------------------------|-----------------------------------|--------------|---------------------------------|-----------------------------------|-----------------------------------|
|                         | As at 01 <sup>st</sup> April 2021 | Additions during the year | Sale/ disposals during the year | As at 31 <sup>st</sup> March 2022 | As at 01 <sup>st</sup> April 2021 | For the Year | Sale/ disposals during the year | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2022 |
| <b>Tangible Assets</b>  |                                   |                           |                                 |                                   |                                   |              |                                 |                                   |                                   |
| Land (Rajarambati)      | 40.42                             | 0.71                      | -                               | 41.13                             | -                                 | -            | -                               | -                                 | 41.13                             |
| Plant and Machinery     | 455.41                            | 756.97                    | -                               | 1,212.38                          | 2.84                              | 26.51        | -                               | 29.36                             | 1,183.02                          |
| Furniture & Fixture     | 12.10                             | -                         | -                               | 12.10                             | 1.82                              | 1.15         | -                               | 2.97                              | 9.13                              |
| Computers & Peripherals | 39.66                             | 5.63                      | -                               | 45.29                             | 12.59                             | 12.97        | -                               | 25.56                             | 19.73                             |
| Electrical Equipment    | 1.55                              | 11.02                     | -                               | 12.57                             | 0.10                              | 0.66         | -                               | 0.76                              | 11.81                             |
|                         | <b>549.13</b>                     | <b>774.32</b>             | -                               | <b>1,323.46</b>                   | <b>17.35</b>                      | <b>41.29</b> | -                               | <b>58.64</b>                      | <b>1,264.82</b>                   |

**2A. Intangible Assets for the financial year ended 31<sup>st</sup> March 2022**

(₹ in Lakh)

| Intangible Assets |             |   |   |             |             |             |   |             |             |
|-------------------|-------------|---|---|-------------|-------------|-------------|---|-------------|-------------|
| Software          | 0.61        | - | - | 0.61        | 0.21        | 0.12        | - | 0.33        | 0.27        |
|                   | <b>0.61</b> | - | - | <b>0.61</b> | <b>0.21</b> | <b>0.12</b> | - | <b>0.33</b> | <b>0.27</b> |

**2B. Right to Use Assets for the financial year ended 31<sup>st</sup> March 2022**

(₹ in Lakh)

| ROU Assets     |   |               |   |               |   |             |   |             |               |
|----------------|---|---------------|---|---------------|---|-------------|---|-------------|---------------|
| Leasehold Land | - | 943.34        | - | 943.34        | - | 2.56        | - | 2.56        | 940.79        |
|                | - | <b>943.34</b> | - | <b>943.34</b> | - | <b>2.56</b> | - | <b>2.56</b> | <b>940.79</b> |

**Property, Plant & Equipment for the financial year ended 31<sup>st</sup> March 2021**

(₹ in Lakh)

| Particulars             | Gross Block                       |                           |                                 |                                   | Depreciation                      |              |                                 |                                   | Net Block                         |
|-------------------------|-----------------------------------|---------------------------|---------------------------------|-----------------------------------|-----------------------------------|--------------|---------------------------------|-----------------------------------|-----------------------------------|
|                         | As at 01 <sup>st</sup> April 2020 | Additions during the year | Sale/ disposals during the year | As at 31 <sup>st</sup> March 2021 | As at 01 <sup>st</sup> April 2020 | For the Year | Sale/ disposals during the year | As at 31 <sup>st</sup> March 2021 | As at 31 <sup>st</sup> March 2021 |
| <b>Tangible Assets</b>  |                                   |                           |                                 |                                   |                                   |              |                                 |                                   |                                   |
| Land (Rajarambati)      | -                                 | 40.42                     | -                               | 40.42                             | -                                 | -            | -                               | -                                 | 40.42                             |
| Plant and Machinery     | -                                 | 455.41                    | -                               | 455.41                            | -                                 | 2.84         | -                               | 2.84                              | 452.56                            |
| Furniture & Fixture     | 12.10                             | -                         | -                               | 12.10                             | 0.67                              | 1.15         | -                               | 1.82                              | 10.28                             |
| Computers & Peripherals | 26.62                             | 13.04                     | -                               | 39.66                             | 1.41                              | 11.18        | -                               | 12.59                             | 27.07                             |
| Electrical Equipment    | 0.92                              | 0.63                      | -                               | 1.55                              | 0.01                              | 0.09         | -                               | 0.10                              | 1.45                              |
|                         | <b>39.64</b>                      | <b>509.50</b>             | -                               | <b>549.13</b>                     | <b>2.08</b>                       | <b>15.27</b> | -                               | <b>17.35</b>                      | <b>531.78</b>                     |

**2A. Intangible Assets for the financial year ended 31<sup>st</sup> March 2021**

(₹ in Lakh)

| Intangible Assets |             |   |   |             |             |             |   |             |             |
|-------------------|-------------|---|---|-------------|-------------|-------------|---|-------------|-------------|
| Software          | 0.61        | - | - | 0.61        | 0.09        | 0.12        | - | 0.21        | 0.40        |
|                   | <b>0.61</b> | - | - | <b>0.61</b> | <b>0.09</b> | <b>0.12</b> | - | <b>0.21</b> | <b>0.40</b> |



### 3. Capital Work In Progress

#### Capital Work In Progress for the financial year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

| Particulars   | As at 01 <sup>st</sup> April 2021 | Additions during the year | Capitalisation during the year | Net Block as at 31 <sup>st</sup> March 2022 |
|---|-----------------------------------|---------------------------|--------------------------------|---|
| <b>Tangible Assets</b>  |                                   |                           |                                |   |
| Construction of City Gas Distribution Network   | 2,554.31                          | 4,405.70                  | 335.88                         | 6,624.12                                    |
| (Includes Incidental Expenses during Construction of ₹2,423.95 as at 31 <sup>st</sup> March 2022 (Refer Note No. 34)) |                                   |                           |                                |   |
| Capital Stores including Material in Transit  | 1,966.63                          | 18,226.75                 | 418.37                         | 19,775.01                                   |
|   | <b>4,520.94</b>                   | <b>22,632.45</b>          | <b>754.25</b>                  | <b>26,399.13</b>                            |
| <b>Intangible Assets</b>  | 21.54                             | 195.67                    | -                              | 217.20                                      |
|   | 21.54                             | 195.67                    | -                              | 217.20                                      |
|   | <b>4,542.48</b>                   | <b>22,828.11</b>          | <b>754.25</b>                  | <b>26,616.34</b>                            |

#### Capital Work In Progress for the period ended 31<sup>st</sup> March 2021

(₹ in Lakh)

| Particulars   | As at 01 <sup>st</sup> April 2020 | Additions during the year | Capitalisation during the year | Net Block as at 31 <sup>st</sup> March 2021 |
|---|-----------------------------------|---------------------------|--------------------------------|---|
| <b>Tangible Assets</b>  |                                   |                           |                                |   |
| Construction of City Gas Distribution Network   | 1,158.46                          | 1,851.26                  | 455.41                         | 2,554.31                                    |
| (Includes Incidental Expenses during Construction of ₹1,501.45 as at 31 <sup>st</sup> March 2021 (Refer Note No. 34)) |                                   | 1,966.63                  | -                              | 1,966.63                                    |
| Capital Stores including Material in Transit  |                                   |                           |                                |   |
|   | <b>1,158.46</b>                   | <b>3,817.89</b>           | <b>455.41</b>                  | <b>4,520.94</b>                             |
| <b>Intangible Assets</b>  | -                                 | 21.54                     | -                              | 21.54                                       |
|   | -                                 | 21.54                     | -                              | 21.54                                       |
|   | <b>1,158.46</b>                   | <b>3,839.43</b>           | <b>455.41</b>                  | <b>4,542.48</b>                             |

#### Capital Work in Progress ageing Schedule (Current Year 2021-22)

(₹ in Lakh)

| Particulars                   | Amount in Capital Work In Progress for a period of |             |             |                   |           |
|-------------------------------|--|-------------|-------------|-------------------|-----------|
|                               | Less than 1 year                                   | 1 - 2 years | 2 - 3 years | More than 3 years | Total     |
| Project in Progress           | 22,632.45  | 3,766.68    | -           | -                 | 26,399.13 |
| Project temporarily suspended | -  | -           | -           | -                 | -         |

#### Capital Work in Progress ageing Schedule (Previous Year 2020-21)

(₹ in Lakh)

| Particulars                   | Amount in Capital Work In Progress for a period of |             |             |                   |          |
|-------------------------------|--|-------------|-------------|-------------------|----------|
|                               | Less than 1 year                                   | 1 - 2 years | 2 - 3 years | More than 3 years | Total    |
| Project in Progress           | 3,817.89   | 703.05      | -           | -                 | 4,520.94 |
| Project temporarily suspended | -  | -           | -           | -                 | -        |

**Intangible Asset under Development ageing Schedule (Current Year 2021-22)**

(₹ in Lakh)

| Particulars                   | Amount in Capital Work In Progress for a period of |             |             |                   |        |
|-------------------------------|--|-------------|-------------|-------------------|--------|
|                               | Less than 1 year                                   | 1 - 2 years | 2 - 3 years | More than 3 years | Total  |
| Project in Progress           | 195.67   | 21.54       | -           | -                 | 217.20 |
| Project temporarily suspended | -  | -           | -           | -                 | -      |

**Intangible Asset under Development ageing Schedule (Previous Year 2020-21)**

(₹ in Lakh)

| Particulars                   | Amount in Capital Work In Progress for a period of |             |             |                   |       |
|-------------------------------|--|-------------|-------------|-------------------|-------|
|                               | Less than 1 year                                   | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Project in Progress           | 21.54  | -           | -           | -                 | 21.54 |
| Project temporarily suspended | -  | -           | -           | -                 | -     |

**4. Deferred Tax Assets (Net)**

(₹ in Lakh)

| Particulars        | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|--------------------|-----------------------------------|-----------------------------------|
| Deferred Tax Asset | 195.61                            | -                                 |
|                    | <b>195.61</b>                     | -                                 |

**5. Other Non Current Assets**

(₹ in Lakh)

| Particulars                       | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|-----------------------------------|-----------------------------------|-----------------------------------|
| Tax Deducted at Source Receivable | 40.73                             | 37.14                             |
|                                   | <b>40.73</b>                      | <b>37.14</b>                      |

**6. Inventories**

(₹ in Lakh)

| Particulars                           | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Stock in Trade                        |                                   |                                   |
| Stock of Compressed Natural Gas (CNG) | 1.94                              | 0.36                              |
|                                       | <b>1.94</b>                       | <b>0.36</b>                       |

**7. Trade Receivables**

(₹ in Lakh)

| Particulars                         | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Trade Receivables - Considered Good |                                   |                                   |
| From Others                         | 15.27                             | 0.20                              |
|                                     | <b>15.27</b>                      | <b>0.20</b>                       |



**Trade Receivable ageing schedule (Current Year 2021-22)**

(₹ in Lakh)

| Particulars   | Outstanding for following periods from due date of Payment |                   |             |             |                   |          |              |
|---|--|-------------------|-------------|-------------|-------------------|----------|--------------|
|   | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Not Due  | Total        |
| (i) Undisputed Trade receivable - considered good                                 | 12.99  | -                 | -           | -           | -                 | -        | 12.99        |
| (ii) Undisputed Trade receivable - which have significant increase in credit risk | -  | -                 | -           | -           | -                 | -        | -            |
| (iii) Undisputed Trade receivable - credit impaired                               | -  | -                 | -           | -           | -                 | -        | -            |
| (iv) Disputed Trade receivable - considered good                                  | 2.28   | -                 | -           | -           | -                 | -        | 2.28         |
| (v) Disputed Trade receivable- which have significant increase in credit risk     | -  | -                 | -           | -           | -                 | -        | -            |
| (vi) Disputed Trade receivable - credit impaired                                  | -  | -                 | -           | -           | -                 | -        | -            |
| (vii) Unbilled Receivable   | -  | -                 | -           | -           | -                 | -        | -            |
| <b>Total</b>  | <b>15.27</b>   | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>-</b> | <b>15.27</b> |

**Trade Receivable ageing schedule (Previous Year 2020-21)**

(₹ in Lakh)

| Particulars   | Outstanding for following periods from due date of Payment |                   |             |             |                   |          |             |
|---|--|-------------------|-------------|-------------|-------------------|----------|-------------|
|   | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Not Due  | Total       |
| (i) Undisputed Trade receivable - considered good                                 | 0.20   | -                 | -           | -           | -                 | -        | 0.20        |
| (ii) Undisputed Trade receivable - which have significant increase in credit risk | -  | -                 | -           | -           | -                 | -        | -           |
| (iii) Undisputed Trade receivable - credit impaired                               | -  | -                 | -           | -           | -                 | -        | -           |
| (iv) Disputed Trade receivable - considered good                                  | -  | -                 | -           | -           | -                 | -        | -           |
| (v) Disputed Trade receivable- which have significant increase in credit risk     | -  | -                 | -           | -           | -                 | -        | -           |
| (vi) Disputed Trade receivable - credit impaired                                  | -  | -                 | -           | -           | -                 | -        | -           |
| (vii) Unbilled Receivable   | -  | -                 | -           | -           | -                 | -        | -           |
| <b>Total</b>  | <b>0.20</b>  | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>-</b> | <b>0.20</b> |

**8. Cash and Cash Equivalents**

(₹ in Lakh)

| Particulars   | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|---|-----------------------------------|-----------------------------------|
| Balances with banks   |                                   |                                   |
| - In current accounts   | 111.78                            | 823.73                            |
| - Cheque in hand  | -                                 | 0.11                              |
| - Fixed Deposit with original Maturity less than three months | 6,353.96                          | 800.00                            |
|   | <b>6,465.75</b>                   | <b>1,623.84</b>                   |

**9. Bank Balance other than Cash and Cash Equivalents**

(₹ in Lakh)

| Particulars   | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|---|-----------------------------------|-----------------------------------|
| Fixed Deposits with original maturity more than three months but less than twelve months                          | 1,562.09                          | 2,374.58                          |
| [Includes Fixed Deposits of ₹14.09 Crores (Previous Year : ₹13.50 Crores Under Bank Lien against Bank Guarantee ) |                                   |                                   |
|   | <b>1,562.09</b>                   | <b>2,374.58</b>                   |

**10. Other Financial Assets**

(₹ in Lakh)

| Particulars                  | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|------------------------------|-----------------------------------|-----------------------------------|
| Security Deposits            | 36.71                             | 19.42                             |
| (Unsecured, Considered Good) |                                   |                                   |
| Interest Accrued but not due | 9.89                              | 4.17                              |
|                              | <b>46.60</b>                      | <b>23.59</b>                      |

**11. Other Current Assets (Unsecured, Considered Good)**

(₹ in Lakh)

| Particulars                | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|----------------------------|-----------------------------------|-----------------------------------|
| Advance for Capital Assets | -                                 | 956.59                            |
| Other Advances             | 0.49                              | 1.14                              |
| Pre - Paid Expenses        | 40.82                             | 11.43                             |
|                            | <b>41.31</b>                      | <b>969.15</b>                     |

**12. Equity Share Capital**

(₹ in Lakh)

| Equity Shares  | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|--|-----------------------------------|-----------------------------------|
| <b>Authorised</b>  |                                   |                                   |
| 2,00,00,00,000 (Previous Year : 10,00,00,000) Equity shares of ₹10 each                    | 2,00,000.00                       | 10,000.00                         |
| <b>Issued, Subscribed &amp; Fully Paid up</b>  |                                   |                                   |
| 25,90,70,000 (Previous Year : 5,00,00,000) Equity shares of ₹10 each fully paid up in Cash | 25,907.00                         | 5,000.00                          |
|  | <b>25,907.00</b>                  | <b>5,000.00</b>                   |

**(a) Reconciliation of no. of Shares and amount outstanding at the end of the reporting period**

(₹ in Lakh)

| Particulars                            | As at 31 <sup>st</sup> March 2022 |                  | As at 31 <sup>st</sup> March 2021 |                 |
|--|-----------------------------------|------------------|-----------------------------------|-----------------|
|  | Quantity                          | Amount           | Quantity                          | Amount          |
| Equity Shares At beginning of the year | 5,00,00,000                       | 5,000.00         | 5,00,00,000                       | 5,000.00        |
| Equity Shares Issued during the period | 20,90,70,000                      | 20,907.00        | -                                 | -               |
| Outstanding at the end of the period   | <b>25,90,70,000</b>               | <b>25,907.00</b> | <b>5,00,00,000</b>                | <b>5,000.00</b> |





**(b) Terms and rights attached to the equity shares**

The Company has only one class of Equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Holders of the equity shares are entitled to receive dividends as declared from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shareholders holding more than 5 % shares in the company**

(₹ in Lakh)

| Particulars                                  | As at 31 <sup>st</sup> March 2022 |                       | As at 31 <sup>st</sup> March 2021 |                       |
|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------|
|  | Numbers                           | Percentage of Holding | Numbers                           | Percentage of Holding |
| GAIL (India) Ltd.                            | 20,00,00,000                      | 77%                   | 2,50,00,000                       | 50%                   |
| Greater Calcutta Gas Supply Corporation Ltd. | 5,90,70,000                       | 23%                   | 2,50,00,000                       | 50%                   |

**(d) Shareholding of Promoters (Current Year 2021-22)**

(₹ in Lakh)

| Sl. No. | Promoter Name                                | As at 31 <sup>st</sup> March 2022 |                       | % change during the year |
|---------|--|-----------------------------------|-----------------------|--------------------------|
|         |  | Numbers                           | Percentage of Holding |                          |
| 1       | GAIL (India) Ltd.                            | 20,00,00,000                      | 77%                   | 700%                     |
| 2       | Greater Calcutta Gas Supply Corporation Ltd. | 5,90,70,000                       | 23%                   | 136%                     |

**Shareholding of Promoters (Previous Year 2020-21)**

(₹ in Lakh)

| Sl. No. | Promoter Name                                | As at 31 <sup>st</sup> March 2021 |                       | % change during the year |
|---------|--|-----------------------------------|-----------------------|--------------------------|
|         |  | Numbers                           | Percentage of Holding |                          |
| 1       | GAIL (India) Ltd.                            | 2,50,00,000                       | 50%                   | 0%                       |
| 2       | Greater Calcutta Gas Supply Corporation Ltd. | 2,50,00,000                       | 50%                   | 0%                       |

**13. Other Equity**

(₹ in Lakh)

| Particulars                                      | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|--|-----------------------------------|-----------------------------------|
| <b>Retained Earnings</b>                         |                                   |                                   |
| Opening Balance of Profit / (Loss)               | (317.88)                          | (108.78)                          |
| Profit / (Loss) for the year                     | (382.50)                          | (209.09)                          |
| Share Issue Expenses                             | (175.49)                          |                                   |
|  | <b>(875.87)</b>                   | <b>(317.88)</b>                   |
| <b>Share Application Money pending allotment</b> |                                   |                                   |
| Share Application Money received during the year |                                   | 2,500.00                          |
|  | -                                 | 2,500.00                          |
|  | <b>(875.87)</b>                   | <b>2,182.12</b>                   |

**14. Lease Liabilities**

(₹ in Lakh)

| Particulars       | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|-------------------|-----------------------------------|-----------------------------------|
| Lease Liabilities | 28.52                             | -                                 |
|                   | <b>28.52</b>                      | -                                 |

**15. Trade Payables**

(₹ in Lakh)

| Particulars                                    | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|--|-----------------------------------|-----------------------------------|
| Trade Payables to Related Parties :-           |                                   |                                   |
| GAIL (India) Ltd                               | 71.46                             | 1,760.06                          |
| Grater Calcutta Gas Supply Corporation Limited | 8.68                              | 82.96                             |
| Trade Payables to                              |                                   |                                   |
| - Dues of Micro and Small Enterprises          | -                                 | -                                 |
| - Other than Micro and Small Enterprises       | 9,926.87                          | 835.55                            |
|  | <b>10,007.01</b>                  | <b>2,678.57</b>                   |

**Trade Payable ageing schedule (Current Year 2021-22)**

(₹ in Lakh)

| Particulars                | Outstanding for following periods from due date of payment |             |             |                   |                  |
|----------------------------|--|-------------|-------------|-------------------|------------------|
|                            | Less than 1 year   | 1 - 2 years | 2 - 3 years | More than 3 years | Total            |
| (I) MSME                   | -  | -           | -           | -                 | -                |
| (II) Others                | 10,005.33  | 1.68        | -           | -                 | 10,007.01        |
| (III) Disputed dues- MSME  | -  | -           | -           | -                 | -                |
| (IV) Disputed dues- Others | -  | -           | -           | -                 | -                |
| <b>Total</b>               | <b>10,005.33</b>   | <b>1.68</b> | -           | -                 | <b>10,007.01</b> |

**Trade Payable ageing schedule (Current Year 2020-21)**

(₹ in Lakh)

| Particulars                | Outstanding for following periods from due date of payment |               |               |                   |                 |
|----------------------------|--|---------------|---------------|-------------------|-----------------|
|                            | Less than 1 year   | 1 - 2 years   | 2 - 3 years   | More than 3 years | Total           |
| (I) MSME                   | -  | -             | -             | -                 | -               |
| (II) Others                | 1,598.46   | 818.14        | 261.98        | -                 | 2,678.57        |
| (III) Disputed dues- MSME  | -  | -             | -             | -                 | -               |
| (IV) Disputed dues- Others | -  | -             | -             | -                 | -               |
| <b>Total</b>               | <b>1,598.46</b>  | <b>818.14</b> | <b>261.98</b> | -                 | <b>2,678.57</b> |



## 16. Other Financial Liabilities

(₹ in Lakh)

| Particulars                      | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|----------------------------------|-----------------------------------|-----------------------------------|
| Security Deposits                | 428.51                            | 25.88                             |
| Retention Money from Contractors | 1,080.04                          | 162.12                            |
| Other Liabilities                | 560.68                            | 24.21                             |
|                                  | <b>2,069.24</b>                   | <b>212.21</b>                     |

## 17. Other Current Liabilities

(₹ in Lakh)

| Particulars           | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|-----------------------|-----------------------------------|-----------------------------------|
| Statutory Liabilities | 46.06                             | 30.41                             |
| Other Liabilities     | 0.08                              | -                                 |
|                       | <b>46.14</b>                      | <b>30.41</b>                      |

## 18. Provisions

(₹ in Lakh)

| Particulars            | As at 31 <sup>st</sup> March 2022 | As at 31 <sup>st</sup> March 2021 |
|------------------------|-----------------------------------|-----------------------------------|
| Provision for Expenses | 9.47                              | 0.20                              |
|                        | <b>9.47</b>                       | <b>0.20</b>                       |

## 19. Revenue from Operations

(₹ in Lakh)

| Particulars              | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|--------------------------|---|---|
| Sale of Products         |   |   |
| - Compressed Natural Gas | 101.94  | 0.19  |
|                          | <b>101.94</b>                                     | <b>0.19</b>                                       |

## 20. Other Income

(₹ in Lakh)

| Particulars          | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|----------------------|---|---|
| Interest Income      | 111.77  | 139.59  |
| Miscellaneous Income | -   | 0.12  |
|                      | <b>111.77</b>                                     | <b>139.71</b>                                     |

## 21. Purchase of Stock In Trade

(₹ in Lakh)

| Particulars             | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|-------------------------|---|---|
| Purchase of Natural Gas | 36.19   | 0.15  |
| Gas Compression Service | 29.32   | 0.30  |
| Transportation of Gas   | 66.96   | 15.91   |
|                         | <b>132.46</b>                                     | <b>16.35</b>                                      |

**22. Changes in Inventories of Stock in Trade**

(₹ in Lakh)

| Particulars                           | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|---------------------------------------|---|---|
| Opening Stock of Stock in Trade       |   |   |
| Compressed Natural Gas (CNG)          | 0.36  | -   |
| Closing Stock of Stock in Trade       |   |   |
| Compressed Natural Gas (CNG)          | 1.94  | 0.36  |
| <b>Decrease / (Increase) in Stock</b> | <b>(1.58)</b>                                     | <b>(0.36)</b>                                     |

**23. Employee Benefit Expenses**

(₹ in Lakh)

| Particulars            | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|------------------------|---|---|
| Employee Cost          | 355.18  | 196.39  |
| Staff Welfare Expenses | 7.22  | -   |
|                        | <b>362.40</b>                                     | <b>196.39</b>                                     |

**24. Finance Cost**

(₹ in Lakh)

| Particulars                 | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|-----------------------------|---|---|
| Interest on Lease Liability | 0.58  | -   |
|                             | <b>0.58</b>                                       | -   |

**25. Other Expenses**

(₹ in Lakh)

| Particulars                        | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|------------------------------------|---|---|
| Operation and Maintenance Services | 51.57   | 22.30   |
| Safety Health Environment Services | 8.65  | 11.80   |
| CNG Facility Charges               | 1.68  | -   |
| Trade Margin                       | 2.28  | -   |
| Marketing Expenses                 | 14.30   | -   |
| Payment to Auditors                | 1.30  | 1.98  |
| Advertisement                      | -   | 2.21  |
| Board Meeting Expenses             | 5.19  | 5.53  |
| Computer Accessories & Maintenance | 5.48  | 7.21  |
| Miscellaneous Expenses             | 25.36   | 5.52  |
| Internal Audit Fees                | 0.47  | 0.41  |
| Secretarial Audit Fees             | 0.41  | 0.40  |
| Office Rent                        | 37.43   | 4.30  |
| Printing & Stationery              | 8.86  | 5.42  |



| Particulars           | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|-----------------------|---|---|
| Professional Fees     | 18.40   | 13.82   |
| Retainership Expenses | 19.96   | 15.69   |
| Security Charges      | 4.93  | 6.82  |
| Telephone Expenses    | 2.52  | 0.67  |
| Travelling Expenses   | 5.08  | 2.74  |
| Vehicle Hire Charges  | 40.12   | 14.40   |
|                       | <b>253.99</b>                                     | <b>121.21</b>                                     |

### 25.1 Payment to Auditors

(₹ in Lakh)

| Particulars                            | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|
| Statutory Audit Fees (Including GST)   | 1.30  | 1.39  |
| Out of Pocket Expenses (including GST) | -   | 0.59  |
|  | <b>1.30</b>                                       | <b>1.98</b>                                       |

**26.** During the year ended 31<sup>st</sup> March 2022, there were no employees on the role of the company. The employees in various capacities are deputed in the company by the Holding/Associate companies and hired through contractor(s). Salary and Allowances payment of employees deputed in company are being paid by their respective Holding/Associate companies/Contractor(s) and accounted for through debit notes / advices / invoices raised. The provisions in respect of employees benefits and disclosures requirements in terms of IND AS 19 has not been provided in accounts as the same has been complied by the Holding/Associate Companies/Contractors.

## 27. Contingent Liabilities and Commitments

### Capital Commitment

The estimated amount of contracts over ₹ 5 lacs amounting to ₹ 1,196.42 Crores (Previous Year : ₹ 373.41 Crores) are remaining to be executed on capital accounts and not provided for.

**28.** The employees working in the various disciplines have been identified as working for (a) project activities and/or (b) operation activities. Therefore, the employee cost and travelling expenses, pertaining to those employees engaged directly in project activities, are directly charged to project activities. Whereas, employee cost, travelling expenses and vehicle hire charges pertaining to those employees which have been engaged in both of the aforesaid activities, are charged to project activities and operation activities in the ratio of 7:3 on best judgement basis and accounted for accordingly. Expenses related to Office Rent, Security Charges, Health & Safety, Call Centre Services, PC Hire Charges, QRV Implementation etc. incurred for both project and operation have been allocated to Incidental Expenditure during the Construction (IEDC) and Statement of Profit & Loss in the ratio of 7:3 on best judgement basis. All other expenses are charged to Statement of Profit & Loss.

## 29. Related Party Disclosures

### (a) List of Related Parties

#### (i) Key Management Personnel

| Key Management Personnel Designation | Name of Incumbent   |
|--------------------------------------|---|
| Chairman and Director                | Mr. E.S. Ranganathan (up to - 18 <sup>th</sup> January, 2022)           |
| Chairman and Director                | Mr. Rakesh Kumar Jain (w.e.f.- 19 <sup>th</sup> January, 2022)          |
| Director                             | Mr. Kumar Shanker (w.e.f.- 10 <sup>th</sup> March, 2022)                |
| Director                             | Mr. Atul Kumar Tripathi (w.e.f.- 4 <sup>th</sup> March, 2022)           |
| Director                             | Mr. Karnati Ram Mohan Rao (w.e.f.- 4 <sup>th</sup> March, 2022)         |
| Director                             | Mr. Srinivasarangachariar Sampath (w.e.f.- 9 <sup>th</sup> March, 2022) |
| Director                             | Mr. Gautam Chakraborty  |
| Director                             | Mr. Biswanath Chakraborty   |
| Director                             | Ms. Sunrita Hazra   |
| Chief Executive Officer              | Mr. S. Bairagi  |
| Chief Financial Officer              | Mr. P K Ray (w.e.f.- 20 <sup>th</sup> July, 2021)                       |
| Chief Financial Officer              | Mr. R.K. Jaipuriyar (up to 19 <sup>th</sup> July, 2021)                 |
| Company Secretary                    | Mr. Gyanendra Singh   |

#### (ii) Companies

| Name of Company                              | Relation          |
|--|-------------------|
| GAIL (India) Ltd.                            | Holding Company   |
| Greater Calcutta Gas Supply Corporation Ltd. | Associate Company |



## (b) Transaction with Related Parties

(₹ in Lakh)

| Name of Related Party  | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|
| (i) Issue of Share Capital   |   |   |
| GAIL (India) Ltd.  | 17,500  | -   |
| Greater Calcutta Gas Supply Corporation Ltd.                             | 3,407   | -   |
| (ii) Receipt of Share Application Money<br>(Pending allotment of shares) |   |   |
| GAIL (India) Ltd.  | -   | 2,500   |
| (iii) Services Received for – Deputation of Employees                    |   |   |
| GAIL (India) Ltd.  | 822.52  | 679.68  |
| Greater Calcutta Gas Supply Corporation Ltd.                             | 16.97   | 15.60   |
| (iii) Services Received for – Reimbursement of Expenses                  |   |   |
| GAIL (India) Ltd.  | 71.06   | 69.11   |
| (iv) Purchase of CBM and Compression Services                            |   |   |
| GAIL (India) Ltd.  | 67.46   | 0.56  |
| (v) Hooking - Up Facility  |   |   |
| GAIL (India) Ltd.  | 472.00  | -   |
| (vi) Amounts Payable   |   |   |
| GAIL (India) Ltd.  | 80.03   | 1,760.25  |
| Greater Calcutta Gas Supply Corporation Ltd.                             | 8.68  | 82.96   |

## (c) Terms and Conditions of transactions with related parties

Transactions with related parties are made on normal commercial terms and conditions and at arm's length price.

## 30. Earnings Per Share

Basic and diluted earnings / (loss) per share is calculated by dividing the profit / (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year

(₹ in Lakh)

| Particulars  | For the Year Ended<br>31 <sup>st</sup> March 2022 | For the Year Ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|
| Profit / (Loss) after tax attributable to equity shareholders          | (382.50)  | (209.09)  |
| Weighted average number of equity shares outstanding during the period | 1225.17   | 500   |
| Nominal Value per Share (In ₹)   | 10.00   | 10.00   |
| Basic and Diluted earnings / (loss) per share (In ₹)                   | (0.31)  | (0.42)  |

## 31. Financial instruments – Fair values and risk management

### (a) Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**(i) As at 31<sup>st</sup> March 2022**

| Particulars   | Carrying Value |       |                  |                  | Fair Value Measurement |         |         |
|---|----------------|-------|------------------|------------------|------------------------|---------|---------|
|   | FVTPL          | FVOCI | Amortised cost   | Total            | Level 1                | Level 2 | Level 3 |
| <b>Financial Assets</b>                                 |                |       |                  |                  |                        |         |         |
| <b>Current</b>  |                |       |                  |                  |                        |         |         |
| Trade Receivables                                       | -              | -     | 15.27            | 15.27            | -                      | -       | -       |
| Cash and Cash Equivalents                               |                |       |                  |                  |                        |         |         |
| - Balances With Bank                                    | -              | -     | 111.78           | 111.78           | -                      | -       | -       |
| - Deposits with original maturity of less than 3 months | -              | -     | 6,353.96         | 6,353.96         | -                      | -       | -       |
| Balances other than cash and cash equivalents           | -              | -     | 1,562.09         | 1,562.09         | -                      | -       | -       |
| Other financial assets                                  | -              | -     | 46.60            | 46.60            | -                      | -       | -       |
| <b>Total</b>  | -              | -     | <b>8,089.71</b>  | <b>8,089.71</b>  | -                      | -       | -       |
| <b>Financial liabilities</b>                            |                |       |                  |                  |                        |         |         |
| <b>Non - Current</b>                                    |                |       |                  |                  |                        |         |         |
| Lease Liabilities                                       | -              | -     | 28.52            | 28.52            | -                      | -       | -       |
| <b>Current</b>  |                |       |                  |                  |                        |         |         |
| Trade Payables  |                |       |                  |                  |                        |         |         |
| - Other than MSME                                       | -              | -     | 10,007.01        | 10,007.01        | -                      | -       | -       |
| Other financial liabilities                             | -              | -     | 2,069.24         | 2,069.24         | -                      | -       | -       |
| <b>Total</b>  | -              | -     | <b>12,076.25</b> | <b>12,076.25</b> | -                      | -       | -       |

**(ii) As at 31<sup>st</sup> March 2021**

| Particulars   | Carrying Value |       |                 |                 | Fair Value Measurement |         |         |
|---|----------------|-------|-----------------|-----------------|------------------------|---------|---------|
|   | FVTPL          | FVOCI | Amortised cost  | Total           | Level 1                | Level 2 | Level 3 |
| <b>Financial Assets</b>                                 |                |       |                 |                 |                        |         |         |
| <b>Current</b>  |                |       |                 |                 |                        |         |         |
| Trade Receivables                                       | -              | -     | 0.20            | 0.20            | -                      | -       | -       |
| Cash and Cash Equivalents                               |                |       |                 |                 |                        |         |         |
| - Balances With Bank                                    | -              | -     | 823.73          | 823.73          | -                      | -       | -       |
| - Cheques In Hand                                       | -              | -     | 0.11            | 0.11            | -                      | -       | -       |
| - Deposits with original maturity of less than 3 months | -              | -     | 800.00          | 800.00          | -                      | -       | -       |
| Balances other than cash and cash equivalents           | -              | -     | 2,374.58        | 2,374.58        | -                      | -       | -       |
| Other financial assets                                  | -              | -     | 23.59           | 23.59           | -                      | -       | -       |
| <b>Total</b>  | -              | -     | <b>4,022.21</b> | <b>4,022.21</b> | -                      | -       | -       |
| <b>Financial liabilities</b>                            |                |       |                 |                 |                        |         |         |
| <b>Current</b>  |                |       |                 |                 |                        |         |         |





| Particulars                 | Carrying Value |       |                 |                 | Fair Value Measurement |         |         |
|-----------------------------|----------------|-------|-----------------|-----------------|------------------------|---------|---------|
|                             | FVTPL          | FVOCI | Amortised cost  | Total           | Level 1                | Level 2 | Level 3 |
| Trade Payables              |                |       |                 |                 |                        |         |         |
| - Other than MSME           | -              | -     | 2,678.57        | 2,678.57        | -                      | -       | -       |
| Other financial liabilities | -              | -     | 212.21          | 212.21          | -                      | -       | -       |
| <b>Total</b>                | -              | -     | <b>2,890.78</b> | <b>2,890.78</b> | -                      | -       | -       |

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.

### (b) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk - Foreign exchange ; and
- Market risk - Interest rate

### Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the Management periodically to reflect changes in market conditions and the Company's activities.

### 32. Due to / from Sundry Parties

Balances due to and due from sundry parties, balances of deposits, financial liabilities & current assets are subject to Confirmation. The component of capital work in progress is lying with the third party are subject to confirmation.

### 33. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

| Sl. No. | Particulars   | 2021 - 22 | 2020 - 21 |
|---------|---|-----------|-----------|
| 1       | The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year  | Nil       | Nil       |
| 2       | The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | Nil       | Nil       |
| 3       | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.  | Nil       | Nil       |
| 4       | The amount of interest accrued and remaining unpaid at the end of each accounting year; and   | Nil       | Nil       |
| 5       | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23. | Nil       | Nil       |

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

### 34. Company as Lessee (Disclosure as per Ind AS 116)

#### a) Lease Liabilities

##### (i) Reconciliation of Lease Liabilities

(₹ in Lakh)

| Particulars                            | Year Ended<br>31 <sup>st</sup> March 2022 | Year Ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|
| Balance at April 1,2021                | -   | -   |
| Additions during the year              | 28.52                                     | -   |
| Lease Liabilities paid during the year | 0.01                                      | -   |
| Balance at March 31,2022               | 28.51                                     | -   |

##### (ii) Cash outflow for leases during the year ended 31<sup>st</sup> March, 2022

(₹ in Lakh)

| Particulars                           | Year Ended<br>31 <sup>st</sup> March 2022 | Year Ended<br>31 <sup>st</sup> March 2021 |
|---------------------------------------|---|---|
| Principal Portion of Lease Liability  | 0.01                                      | -   |
| Interest Portion of Lease Liability   | 0.57                                      | -   |
| Expense relating to short-term leases | -   | -   |
| Expense relating to low value leases  | -   | -   |

#### b) Right of Use Assets

(₹ in Lakh)

| Particulars                      | Year Ended<br>31 <sup>st</sup> March 2022 | Year Ended<br>31 <sup>st</sup> March 2021 |
|----------------------------------|---|---|
| Opening Balance                  | -   | -   |
| Add : Additions during the year  | 943.34                                    | -   |
| Less : Deletions during the year | -   | -   |
| Less : Depreciation for the year | 2.56                                      | -   |
| Closing Balance                  | 940.79                                    | -   |

#### c) Amounts recognised in Statement of Profit & Loss

(₹ in Lakh)

| Particulars                                  | Year Ended<br>31 <sup>st</sup> March 2022 | Year Ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|
| Depreciation on right-of-use assets          | 2.56                                      | -   |
| Interest expenses on lease liabilities       | 0.57                                      | -   |
| Expenses relating to short-term leases       | -   | -   |
| Expenses relating to low value assets leases | -   | -   |
| Variable lease payments                      | -   | -   |

### 35. Disclosure of Ratios

The Ratios prescribed in Schedule – III of Companies Act, 2013 for the financial year 2021 – 2022 and explanation in regard to the major changes exceeding 25 % from the preceding year is as per **Annexure – I** attached.



### 36. Allocation of Project Related Expenses to Capital Work In Progress

(₹ in Lakh)

| Particulars             | As at<br>31 <sup>st</sup> March 2022 | As at<br>31 <sup>st</sup> March 2021 |
|-------------------------|--------------------------------------|--------------------------------------|
| Pre-Operative Expenses  | 266.99                               | 290.29                               |
| Employee Cost           | 1,408.19                             | 903.22                               |
| Vehicle Hire Charges    | 122.49                               | 56.71                                |
| Travelling Expenses     | 24.87                                | 22.95                                |
| Office & Warehouse Rent | 384.11                               | 155.16                               |
| Bank Guarantee Fee      | 19.81                                | 12.78                                |
| Advertisement           | 24.52                                | 20.22                                |
| Fee and Other Charges   | 22.62                                | 14.22                                |
| Workshop Expenses       | 0.46                                 | 0.50                                 |
| Insurance Charges       | 80.42                                | 25.40                                |
| Health & Safety         | 34.03                                | -                                    |
| Call Centre Services    | 6.54                                 | -                                    |
| PC Hire Charges         | 1.05                                 | -                                    |
| Security Charges        | 11.50                                | -                                    |
| QRV Implementation      | 16.35                                | -                                    |
| <b>Total</b>            | <b>2,423.95</b>                      | <b>1,501.45</b>                      |

37. The company has considered the possible effects that may result from the COVID –19 impact on the carrying amount of property, plant and equipment, receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external source of information and concluded that no adjustments are required to the financial results. The company will continue to monitor the developing scenario for any material changes.

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



**For VIMAL & SEKSARIA**  
Chartered Accountants  
[Firm Registration No. : 319194 E]

Sd/-  
**Ritesh Vimal**  
Partner

[ Membership No. : 061327 ]  
UDIN : 22061327AJDRIJ9598

Sd/-  
**(G. Singh)**  
CS  
PAN - COKPS6727L

Sd/-  
**(Sunrita Hazra)**  
Director  
DIN - 3087356

Sd/-  
**(P.K.Ray)**  
CFO  
PAN - ACDPR7010C

For and on behalf of Board

Sd/-  
**(S.Bairagi)**  
CEO  
PAN - ABIPB7009H

Sd/-  
**(R K Jain)**  
Chairman  
DIN - 8788595

Dated : 25<sup>th</sup> April 2022  
Place: Kolkata

**BENGAL GAS COMPANY LIMITED**
**Annexure - I annexed to Note No. 33 of the Notes on Accounts**

| Sl. No.  | Particulars  |                          | 2021 - 22        | 2020 - 21          | Variation in %    |
|----------|--|--------------------------|------------------|--------------------|-------------------|
| <b>1</b> | <b>Current Ratio</b>   |                          |                  |                    |                   |
| a)       | Current Assets - Inventories + Financial Assets + Other Current Assets   | Current Assets           | 8,132.96         | 4,991.72           |                   |
| b)       | Current Liabilities - Trade Payables + Other Financial Liabilities + Other Current Liabilities + Provisions  | Current Liabilities      | 12,131.86        | 2,921.39           |                   |
|          |  | <b>Current Ratio</b>     | <b>0.67</b>      | <b>1.71</b>        | <b>60.77%</b>     |
| <b>2</b> | <b>Debt - Equity Ratio</b>   |                          |                  |                    |                   |
| a)       | Debt - Total Debt  | Debt                     | -                | -                  |                   |
| b)       | Equity - Equity Share Capital + Other Equity   | Equity                   | 25,031.13        | 7,182.12           |                   |
|          |  | Ratio                    | -                | -                  | -                 |
| <b>3</b> | <b>Debt Service Coverage Ratio (DSCR)</b>  |                          |                  |                    |                   |
| a)       | Earning for Debt Service - Net Profit after Tax + Non Cash Operating Expenses viz. Depreciation & other amortization + Interest + Other adjustment like loss on sale of fixed assets | Earning for Debt Service | (338.53)         | (193.70)           |                   |
| b)       | Debt Service -   | Debt Service             | -                | -                  |                   |
|          |  | <b>DSCR Ratio</b>        | -                | -                  | -                 |
| <b>4</b> | <b>Return on Equity (ROE)</b>  |                          |                  |                    |                   |
| a)       | PAT - Profit after Taxes   | PAT                      | (382.50)         | (209.09)           |                   |
| b)       | Net Worth - Equity Share Capital + Other Equity  | Net Worth                | 25,031.13        | 7,182.12           |                   |
|          |  | <b>Ratio</b>             | <b>-1.53%</b>    | <b>-2.91%</b>      | <b>-47.51%</b>    |
| <b>5</b> | <b>Inventory Turnover Ratio</b>  |                          |                  |                    |                   |
| a)       | COGS - Opening Stock + Purchase - Closing Stock  | COGS                     | 130.88           | 15.99              |                   |
| b)       | Average Inventory of Gas - (Opening inventory + Closing Inventory)/2   | Average Inventory        | 1.15             | 0.18               |                   |
|          |  | Ratio                    | 114.05           | 89.39              | 27.59%            |
| <b>6</b> | <b>Trade Receivables Turnover Ratio</b>  |                          |                  |                    |                   |
| a)       | Net Credit Sale - Sale of Gas  | Sales                    | 101.94           | 0.19               |                   |
| b)       | Average Receivables - (Opening Receivables + Closing Receivables)/2  | Average Receivable       | 7.74             | 0.10               |                   |
|          |  | <b>Ratio</b>             | <b>13.17</b>     | <b>1.90</b>        | <b>591.69%</b>    |
| <b>7</b> | <b>Trade Payable Turnover Ratio</b>  |                          |                  |                    |                   |
| a)       | Net Credit Purchase - Purchase of Gas  | Credit Gas Purchase      | 132.46           | 16.35              |                   |
| b)       | Average Trade Paybles for Gas Purchase - (Opening Trade Paybles + Closing Trade Paybles)/2   | Average Trade Payable    | 4.38             | 0.09               |                   |
|          |  | <b>Ratio</b>             | <b>30.26</b>     | <b>175.46</b>      | <b>82.76%</b>     |
| <b>8</b> | <b>Net Capital Turnover Ratio</b>  |                          |                  |                    |                   |
| a)       | Net Sales - Sale of Gas  | Sales                    | 101.94           | 0.19               |                   |
| b)       | Working Capital - Current Assets - Current Liabilities   | Working Capital          | (3,998.91)       | 2,070.33           |                   |
|          |  | <b>Ratio</b>             | <b>(0.02549)</b> | <b>0.00009</b>     | <b>-27247.82%</b> |
| <b>9</b> | <b>Net Profit Ratio</b>  |                          |                  |                    |                   |
| a)       | Net Profit - Net Profit after Taxes  | Net Profit               | (382.50)         | (209.09)           |                   |
| b)       | Turnover - Sales   | Turnover                 | 101.94           | 0.19               |                   |
|          |  | <b>Ratio</b>             | <b>-375.23%</b>  | <b>-107557.36%</b> | <b>-99.65%</b>    |



| Sl. No.   | Particulars   |                  | 2021 - 22     | 2020 - 21     | Variation in % |
|-----------|---|------------------|---------------|---------------|----------------|
| <b>10</b> | <b>Return on Average Capital Employed: EBIT/Capital Employed (ROCE)</b> |                  |               |               |                |
| a)        | EBIT- PBT +/- Exceptional Items + Net Finance Charges                   | EBIT             | (577.53)      | (209.09)      |                |
| b)        | Capital Employed - Equity Share Capital + Other Equity                  | Equity           | 25,031.13     | 7,182.12      |                |
|           |   | <b>Ratio</b>     | <b>(0.02)</b> | <b>(0.03)</b> | <b>-20.75%</b> |
| <b>11</b> | <b>Return on Investment (ROI)</b>                                       |                  |               |               |                |
| a)        | PAT - Profit After Tax  | PAT              | (382.50)      | (209.09)      |                |
| b)        | Capital Employed - Equity Share Capital + Other Equity                  | Capital Employed | 25,031.13     | 7,182.12      |                |
|           |   | <b>Ratio</b>     | <b>-1.53%</b> | <b>-2.91%</b> | <b>-47.51%</b> |

**Explanation/Remarks for Major Change (exceeding 25%)**

1. The Company had commenced commercial operations on 20<sup>th</sup> March 2021. Hence, this is the first full year of operations. As a result, the ratios are not comparable.
2. Certain Ratios are not applicable to the company since the company does not have any Debts / Borrowings.



National Safety Week



# COMMENTS OF C&AG





No. DL90CE/Rep/Acs-IS(GCL)/01-2/15/2022-23/154

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय महा निदेशक लेखापरीक्षा (ऊर्जा)

नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT

Office of the Director General of Audit (Energy)

New Delhi

सेवा में,

अध्यक्ष,

बंगाल गैस कंपनी लिमिटेड,

कोलकाता

महोदय,

Dated: 12/07/2022

विषय:- 31 मार्च 2022 को समाप्त वर्ष के लिए बंगाल गैस कंपनी लिमिटेड, कोलकाता के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं, बंगाल गैस कंपनी लिमिटेड, कोलकाता के 31 मार्च 2022 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अश्रेष्ठित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक:- यथोपरि।

डी.के.शेखर

(डी. के. शेखर)

महानिदेशक

पॉचवा, छठा, सातवाँ, एवं दसवां तल, सी.ए.जी बिल्डिंग, एनेक्सी, 10, बहादुर शाह जफर मार्ग, नई दिल्ली- 110002

5th, 6th, 7th & 10th Floor, C.A.G Building Annexe, 10 Bahadur Shah Zafar Marg, New Delhi- 110002

Tel. : 011-23239213, 23239235 Fax : 011-23239211, Email : pdaenergydl@cag.gov.in





## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6Xb) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BENGAL GAS COMPANY LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

The preparation of financial statements of Bengal Gas Company 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 25.04.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bengal Gas Company Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

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

**(D.K. Sekar)**

**Director General of Audit (Energy),  
Delhi**

Place: New Delhi

Dated: 12 July 2022



Glimpses of Construction activities



# NOTICE OF THE AGM





# BENGAL GAS COMPANY LIMITED

(A JV Company of GAIL & GCGSCL)

CIN U40300WB2019GOI229618

4<sup>th</sup> Floor, Finance Centre, CBD Action Area-IIB, New Town, Kolkata-700161

Website: www.bgcl.co.in; Email: info@bgcl.co.in

Telephone No. 033-23248070

## NOTICE OF THE 3<sup>rd</sup> ANNUAL GENERAL MEETING

**NOTICE** IS HEREBY GIVEN that the 3<sup>rd</sup> Annual General Meeting of the Members of the Company will be held, at shorter notice, in physical mode/through two-way video conferencing, on **Tuesday, 27<sup>th</sup> September 2022, at 4.00 p.m. (IST)** for the transaction of the following businesses in conformity with the regulatory provisions and circulars issued by the Ministry of Corporate Affairs, Government of India: -

### A. ORDINARY BUSINESSES:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> 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 in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:  
**RESOLVED THAT** Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2022 together with the Report of the Board of Directors and that of the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon be and are hereby received, considered and adopted.
- 2) To appoint a Director in place of Sh. Goutom Chakraborty (DIN No. 09027561) who retires by rotation, in terms of Section 152(6) of the Companies Act 2013 read with Clause 162 of the Articles of Association of the company, and being eligible, offers

himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** Goutom Chakraborty (DIN No. 09027561) be and is hereby re-appointed as Director of the Company liable to retire by rotation.

- 3) To appoint a Director in place of Sh. Biswanath Chakrabarti (DIN No. 08784275) who retires by rotation, in terms of Section 152(6) of the Companies Act 2013 read with Clause 162 of the Articles of Association of the company, and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** Sh. Biswanath Chakrabarti (DIN No. 08784275) 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 in this regard, to consider and if thought fit, to pass with or without modification(s) 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 to be appointed by the Comptroller & Auditor General of India for the Financial Year 2022 - 23

By order of the Board of Directors,  
for **Bengal Gas Company Limited**,

Sd/-  
**Gyanendra Singh**  
(Company Secretary)

Dated: 12.09.2022



# BENGAL GAS COMPANY LIMITED

(A JV Company of GAIL & GCGSCL)

CIN U40300WB2019GOI229618

4<sup>th</sup> Floor, Finance Centre, CBD Action Area-II B, New Town, Kolkata-700161

Website: [www.bgcl.co.in](http://www.bgcl.co.in); Email: [info@bgcl.co.in](mailto:info@bgcl.co.in)

Telephone No. 033-23248070

## Notes:

\*\*\*\* The Meeting is proposed to be convened and held at SHORTER NOTICE. The consent form pursuant to section 101(1) of the Companies Act 2013 for holding the meeting at shorter notice is annexed to this notice. The meeting will be held if the consent is received from not less than 95% of the members entitled to vote thereat.

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 02/2022 dated 5th May 2022 read with other previous MCA General Circulars No. 02/2021 dated 13th January 2021 No. 20/2020 dated 5th May 2020, No. 17/2020 dated 13th April 2020 and No. 14/2020 dated 8th April 2020 (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/OAVM, without the physical presence of the Members at a common venue.
2. The deemed venue for the AGM will be the Registered Office of the Company.
3. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM facility, the facility of appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice.
4. In accordance with the extant MCA circulars, the Notice of this AGM and the Directors' Report and Accounts for FY 2021-22 are being sent only through electronic mode to those members who have registered their e-mail addresses with the Company/RTA.
5. Attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of Companies Act, 2013.
6. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members by participating through VC facility and voting shall be done in accordance with the requirements of the aforesaid Circulars which provides that if the number of members present in a meeting is less than 50, the Chairman may decide to conduct a vote by show of hands unless a demand for poll is made by any member in accordance with the requirements of Section 109 of the Act.
7. To facilitate the smooth conduct of voting on Poll, if demanded in accordance with the requirements of Section 109, members are required to convey their vote at [cs@bgcl.co.in](mailto:cs@bgcl.co.in).
8. Corporate members are required to send to the Company a certified copy of the Board Resolution at [cs@bgcl.co.in](mailto:cs@bgcl.co.in) pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting. A person authorised by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate which he/she represents.
9. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office

of the Company during normal business hours (10.00 am to 5.00 pm) on all working days between Monday and Friday of every week, up to and including the date of the Annual General Meeting of the Company.

10. The link to attend the AGM and/or any other instructions will be shared, separately, via email before the meeting for the convenience of the members.

Dated: 12.09.2022

**Registered Office:**

4<sup>th</sup> Floor, Block B, Finance Centre CBD,  
Action Area II B, New Town, Kolkata,  
North 24 Parganas, WB- 700161

By order of the Board of Directors,  
for Bengal Gas Company Limited,

Sd/-  
**Gyanendra Singh**  
(Company Secretary)



Fire Service Week



## BENGAL GAS COMPANY LIMITED

(A JV Company of GAIL & GCGSCL)

CIN U40300WB2019GOI229618

4<sup>th</sup> Floor, Finance Centre, CBD Action Area-IIB, New Town, Kolkata-700161

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Telephone No. 033-23248070

### CONSENT BY MEMBERS FOR SHORTER NOTICE

(Pursuant to Section 101(1) of the Companies Act, 2013)

To,

The Board of Directors,  
Bengal Gas Company Limited,  
Kolkata-700161

Dear Sirs/Madam,

I/We \_\_\_\_\_ shareholder of Bengal Gas Company Limited holding \_\_\_\_\_ nos. of equity shares of ₹ 10/- each hereby give my/our consent pursuant to Section 101(1) of the Companies Act, 2013 for transacting the business(es) mentioned in the Notice of the **3<sup>rd</sup> Annual General Meeting** to be held on **Tuesday, 27<sup>th</sup> September 2022** at Shorter Notice or any adjournment thereof.

Yours faithfully,

Signature:

Name:

Folio No./DP & Client ID:

Date:



REGISTERED OFFICE :

## **BENGAL GAS COMPANY LIMITED**

CIN: U40300WB2019GOI229618

4th Floor, Block B, Finance Centre CBD, Action Area II B, New Town,  
Kolkata, North 24 Parganas, WB- 700161

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