



Bhagyanagar Gas Ltd.



Energizing Growth

Annual Report 2020-21





Vision

To make BGL an unparalleled natural gas distribution company, providing economically cheaper, eco-friendly alternative fuels to transport, domestic, commercial and industrial sectors with the objective of safeguarding the environment by bringing down pollution levels in the State of Telangana and Andhra Pradesh, India.

Mission

- CNG & City Gas Distribution in various cities of Telangana and Andhra Pradesh. To start with Hyderabad-Secunderabad, Vijayawada and Kakinada.
- To provide safe, convenient and reliable gas supply to our customers in transport, domestic, commercial and industrial sectors.
- To facilitate conversions of commercial and private vehicles to CNG through external agencies by:
 1. Making available the quality CNG kits and
 2. Creating a network of workshops to undertake reliable and speedy conversion to CNG.
- Assist in technology development and use of eco-friendly appliances to small scale industries which are presently on conventional fuels.
- Promoting new technologies in Energy Sector to improve environment and reduce pollution.





Bhagyanagar Gas Ltd.

CORPORATE INFORMATION BOARD OF DIRECTORS



Shri Anjani Kumar Tiwari
Chairman



Shri Rajeev Garg
Managing Director



Shri Dilip Kumar Pattanaik
Director



Shri Sanjiv Gujral
Director Commercial cum C.F.O



Shri Rajesh Vedvyas
Independent Director



CORPORATE INFORMATION

PRESENT NOMINATION & REMUNERATION COMMITTEE MEMBERS

Shri Rajesh Vedvyas, Chairman
Shri A.K.Tiwari, Member
Shri Dilip Kumar Pattanaik, Member

PRESENT AUDIT COMMITTEE MEMBERS

Shri Rajesh Vedvyas, Chairman
Shri Rajeev Garg, Member
Shri Sanjiv Gujral, Member

PRESENT CSR COMMITTEE MEMBERS

Shri Rajesh Vedvyas, Chairman
Shri Rajeev Garg, Member
Shri Sanjiv Gujral, Member

COMPANY SECRETARY

Smt. Malleswari.G

STATUTORY AUDITORS

M/s Karra & Co.,
Chartered Accountants

INTERNAL AUDITORS

M/s Ramachandram & Co.,
Chartered Accountants

COST AUDITORS

M/s Nageswara Rao & Co.,
Cost Accountants

TAX AUDITORS

M/s Karra & Co.,
Chartered Accountants

SECRETARIAL AUDITORS

M/s Nekkanti S.R.V.V.V.S.Narayana & Co.,
Company Secretaries

BANKERS

ICICI Bank Limited

REGISTERED OFFICE

Second Floor, Parisrama Bhawan, TSIDC Building,
Basheer Bagh, Hyderabad - 500 004
Tel: 040 - 23245083/ Fax: 040 66565081
Website: www.bglgas.com
mail:corporatehqo@bglgas.com

REGISTRARS & SHARE TRANSFER AGENTS

K Fin TECHNOLOGIES PRIVATE LIMITED
Karvy Selenium Tower B, Plot no 31& 32
Gachibowli, Financial District, Nanakramguda
Serilingampally, Hyderabad-500 032
Registered office: Karvy House 46, Avenue 4,
Street No.1, Banjara Hills, Hyderabad - 500 034



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CHAIRMAN MESSAGE



A.K. Tiwari,
Chairman, Bhagyanagar Gas Limited

Dear Shareholders,

It gives me immense pleasure to welcome you all to the 18th 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 our roadmap for further growth.

The current year has been a challenging one for the economies worldwide, with the outbreak of the deadly COVID-19 virus and the lockdown imposed across the country adversely affected business operations. The health of the employees and workers became a priority. The lockdown gave India time to make a concerted effort to flatten the outbreak curve. However, towards later part of the year consequent to significant opening of the economic activity across the nation the demand picked up compared to that during the initial period of COVID-19. The country had suffered a massive second wave of COVID-19 infections in April 2021. However, we expect no major changes in the economic activity as the nation is preparing to face the Pandemic with vaccines and preparedness. In this challenging backdrop, it is all the more heartening for me to share that your Company remained resilient and not only managed to survive the turbulence but also achieve new milestones.

As you are aware, City Gas Distribution, the core business of your Company, is one of the fastest-growing segments in the gas sector driven by rapid industrialization,

urbanization, and growing population. Besides, India is a signatory to the Paris Agreement and is committed to redefine its energy landscape and increase the share of natural gas in its primary energy basket from the current 6.2% to 15% percent by 2030.

With focus shifting to natural gas, the prospects of the City Gas Distribution (CGD) segment appear to be positive. A series of measures undertaken by the government bode well for the CGD sector. These include, among others, priority allocation of domestic gas for the Compressed Natural Gas (CNG) for transportation and Domestic Piped Natural Gas (PNG) segments; connecting more cities and districts to the gas pipeline infrastructure; and the ban of polluting fuels such as fuel oil (FO) in several states. After the conclusion of the 9th and 10th rounds of bidding for CGD networks, natural gas coverage now extends to around 53% of the country's geographical area and covering around 70% of its population. In order to further expand the reach of natural gas in the country, PNGRB has finalized a list of 65 Geographical Areas, spread over approx. 20 states/UTs to be bid out in the 11th CGD Bidding Round. The Bids for the above-mentioned GAs shall be soon invited by PNGRB from interested stakeholders.

The focus on CGD bodes well for your Company. As you are aware, we are focussed on the distribution and marketing of CNG and distribution of Piped Natural Gas (PNG) to Domestic, Commercial and Industrial Sectors in the states of Andhra Pradesh and Telangana. Today it is a matter of pride for all us to mention that your Company is catering to the CNG needs of over 60,000 CNG vehicles, has provided 1,07,506 connections in FY 2020-21 and reached 2,44,459 households and is servicing the fuel needs of 256 commercial & industrial customers in Hyderabad, Vijayawada and Kakinada. On the above infrastructure, your Company has made highest ever Capex of Rs. 256 crore.

I am glad to share that your Company has made arrangement for additional Rupee Term Loan of Rs. 250 crore at attractive terms from the ICICI Bank for funding the ongoing and future Capex requirement.

Performance

I am delighted to share with you that despite all odds, your Company has posted strong business performance. In FY 2020-21, Profit After Tax (PAT) achieved is Rs. 8.57 crores while Turnover achieved is Rs. 170 crores for the financial year 2020-21.

MoU Targets

On the operation front, your Company made remarkable growth in achieving its MoU Targets. Your company has augmented its infrastructure and increased its pipeline network (Steel and MDPE) from 1751 kms

to 2328 kms over the financial years in the cities of its operation with the aim to connect more areas for increasing the supplies across all business segments. BGL has commissioned 31 CNG stations in Hyderabad, Vijayawada and Kakinada in FY 2020-21 to cater to the CNG supplies, with total compression capacity of around 44,496 Kgs/day. Total 92 new Commercial and Industrial consumers were added to increase the total consumer base to 256.

During the year under review, your Company undertook several training sessions to strengthen both its business activities and human resources. Besides, it also undertook several new IT initiatives to simplify and streamline processes and further improve its customer experience. We have partnered with digital platform Bharat Bill Payment System to enable our domestic customers to pay their PNG bills through the medium of their choice such as Internet banking, mobile banking, cards, Point of Sale (PoS), Wallets, etc.

Further, your Company has installed smart meters for domestic customers in Hyderabad, Vijayawada and Kakinada. These smart meters are intended to be the replacement for the traditional form of gas meters. These automated meters provide readings directly to the server thereby digitizing the billing process which results in substantial reduction of customer complaints with respect to meter reading, etc.

Besides, your Company has also launched a mobile app "BGL Consumer Care" for incident reporting and therefore enhancing safety. The app also aims to provide a user-friendly experience to our customers.

Your Company has always accorded top most priority to safety-related issues. In recent past, the Company participated in the mock drill of disaster management exercise. Regular trainings are imparted to drivers, PNG customers, employees, contractual staff and other stakeholders on regular basis. It is a matter of pride that your Company has crossed 6,17,185 accident free man hours for the year 2020-21.

Your Company, as a socially responsible corporate citizen made CSR an integral part of its ethos and culture. Your Company has been actively participating in various CSR projects for the socio economic development of the local community around the company's work centres and society at large. The CSR Budget for FY 2020-21 was Rs. 47.43 lakhs. Being a socially responsible corporate, your company will continue to strengthen its CSR portfolio to create more value.

Your Company has always given importance to its Human Capital and believes that the challenges of the future can be best met with competent and motivated Human Resources. With the expansion of the company, we have bridged the gap by recruiting additional manpower. The Company has been consistently putting its efforts to frame employee-oriented policies for the benefit and welfare of its employees. In this regard, the Company

has taken various initiatives such as periodic revision in remuneration, arranging specialized training for the employees etc. During Covid-19, addressed the issue of Safety and wellbeing of employees and their family members. Host of measures such as free vaccination drive for employees and family members, distribution of Covid Kits, regular sanitization of Office were taken.

Going Forward

While delivering a sound financial performance this year, your Company has remained committed to adopting best practices of Corporate Governance to create material, social, and natural wealth.

The year ahead bodes well for your Company, and we are well-positioned for further growth. Moving ahead, your Company will continue to focus on increasing penetration in its existing geographical areas, developing CGD in new GAs, exploring further growth opportunities, and building strategic partnerships to further expand its footprints.

In consideration of all these aspects, we are confident about maintaining business momentum and delivering a strong performance in the coming years, with continuous expansion of our business in state of Andhra Pradesh and Telangana and increasing consumer base.

I take this opportunity to place on record my appreciation for the valuable contribution made by my colleague Directors on Board. On behalf of the Board and the Company as a whole, I sincerely acknowledge the support extended by Promoters GAIL (India) Limited and Hindustan Petroleum Corporation Limited.

I would like to thank Ministry of Petroleum & Natural Gas, Govt. of India, PNGRB, Govt. of Telangana & Govt. of Andhra Pradesh, all the authorities and agencies of Consultants, Service providers, Financial Institutions and other stake holders for their unstinted support and co-operation for our aspiration to expand clean and green environment.

On behalf of the Board of Directors and the entire management team, I would like to thank all shareholders, customers, and stakeholders for reposing their faith in your Company. I look forward to the continued support and patronage in times to come.

Thank you very much,

Regards,

Sd/-

A.K.Tiwari

Chairman

Bhagyanagar Gas Limited





MESSAGE FROM MANAGING DIRECTOR



Rajeev Garg.
Managing Director, Bhagyanagar Gas Limited

Dear Shareholders,

Let me at the onset convey my good wishes for your health and safety during the turbulent times of the COVID 19 pandemic. The last two years have been extremely challenging for economies worldwide. The oil and gas industry has been faced with an unprecedented fall in demand in the face of this great humanitarian crisis. While the depth and duration of this crisis remains uncertain, it can safely be said that under most scenarios, oil and gas will remain a multi-trillion-dollar market for decades given its role in supplying affordable energy to globally. In the context of India, honorable Prime Minister of India has time and again reiterated his commitment to transitioning India to a gas-based economy and under his leadership, the government has undertaken several policy measures to boost the natural gas sector.

India has made rapid strides in gas distribution buoyed by the rising awareness of the use of clean gas, various policy measures to promote natural gas and the government of India's objective to transition to a gas-based economy in the near future. Reliance on usage of Natural Gas is slated to rise and share of Natural Gas in India's total energy mix is expected to increase to 15% by 2030. To make natural gas available to the public at large, the GoI 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. Multiple CGD bidding rounds in the last couple of years have resulted in the expansion of CGD coverage from 34 Geographical Areas (GAs) spread over 66 districts (partial/full) in May 2014 to 228 GAs spread over more than 400 districts with a potential to cover about 53% of country's area and 70% of the country's population.

Growth in the market is anticipated on the back of increasing natural gas demand from automotive, industrial, commercial as well as residential end-user segments. The several initiatives undertaken by the GoI for the CGD sector has encouraged several major companies to participate in

the bidding for new GAs. In round 9 and 10 of CGD bidding, several companies were authorized and granted licenses to operate in CGD industry in different geographies across the country. The reforms in the CGD sector has encouraged greater participation from both the private and public sector, thereby aiding in expanding the coverage of CGD network to 228 GAs spread over more than 400 districts with a potential to cover about 53% of country's area and 70% of the country's population.

As you are aware, your Company is focussed on the distribution and marketing of CNG and distribution of Piped Natural Gas (PNG) to Domestic, Commercial and Industrial Sectors in the states of Andhra Pradesh and Telangana. Today it is a matter of pride for all us to mention that the company is catering to the CNG needs of over 60,000 CNG vehicles, has provided 1,07,506 connections in FY 2020-21 and reached 2,44,459 households and is servicing the fuel needs of 256 commercial & industrial customers in Hyderabad, Vijayawada and Kakinada.

As I mentioned in the outset, the oil and gas sector is passing through turbulent waters on the back of unprecedented oil/ LNG price declines, the falling demand, the current year outlook and the main reason behind it all, the unprecedented COVID crisis. The pandemic has devastated the global economy and left the fossil industry in complete disarray. While the uncertainty remains, the ray of hope remains that the gas industry will not only survive the crisis but emerge stronger on the back of rising awareness amongst the people and the commitments of governments worldwide to further the green agenda.

Even in these challenging times, and despite a temporary set-back, India has remained resilient mainly due to its macroeconomic fundamentals. The economy stands largely relieved of the vulnerabilities and poised for growth the back of strong policy measures such as amendments to the policy/code related to insolvency and bankruptcy, bank recapitalization, and foreign direct investment, sustained rise in consumption and a gradual revival in investments, especially in infrastructure development.

Going forward, your Company, Bhagyanagar Gas, will likely be benefitted by the renewed focus on natural gas, which would bring in fresh opportunities providing huge impetus to its growth.

I would also like to thank all our Stakeholders, Board, Promoters, Bankers and the Government of India for the support and assistance provided throughout our journey. We look forward to achieve greater heights with your continuous support.

Regards,

Sd/-
Rajeev Garg
Managing Director
Bhagyanagar Gas Limited.



NOTICE OF 18th ANNUAL GENERAL MEETING

Notice is hereby given that 18th Annual General Meeting of the Members of Bhagyanagar Gas Limited will be held on Friday, 17th September 2021 at 2.30 P.M. at the Regd. Office of the company situated at Second Floor, Parisrama Bhawan, TSIDC Building, Basheer Bagh, Hyderabad – 500 004 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and Reports of Board of Directors' and Auditors' Report there on.
2. To appoint a Director in Place of Shri. Sanjiv Gujral (07808552) who retires by rotation and being eligible, offers himself for re-appointment.
3. To authorize Board of Directors of the Company to fix the remuneration of Statutory Auditors of the Company to be appointed by Comptroller and Auditor General of India for the financial year 2021-22, in terms of the provisions of Section 142 of the Companies Act, 2013.

SPECIAL BUSINESS

4. Ratification of payment of Remuneration to Cost Auditor for the F.Y. 2020-2021 :-

To consider, and if thought fit, to pass with or without modification(s), the following resolutions an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor(s) by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the F.Y. 2020-21 amounting to Rs. 60,000/- (including XBRL conversion charges) plus applicable taxes be and is hereby ratified & confirmed."

5. Re- appointment of Shri Sanjiv Gujral (DIN 07808552) as Whole Time Director / Director Commercial for another period of one year.

To consider, and if thought fit, to pass with or without modification(s), the following resolutions as a Special Resolution: -

"RESOLVED THAT, pursuant to the provisions of Sections 196, 197,198 and Schedule V and other applicable provisions if any of the Companies Act, 2013, consent of the Company be and is hereby accorded to appointment of Shri Sanjiv Gujral (DIN 07808552) as Whole Time Director designated him as Director Commercial cum C.F.O for a period of one year with effect from 29th April 2021 to 26th April 2022 on such terms and conditions as set out in the Explanatory Statement attached to this notice be and is hereby approved with the liberty to the Board of Directors to revise the terms and conditions of said appointment and/or remuneration, within the limits provided in the Companies Act , 2013 "

By order of the Board
(Bhagyanagar Gas Limited)

Place: Hyderabad
Date : 24.08.2021

Sd/-
Malleswari G
Company Secretary



**NOTES**

1. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 read with Secretarial Standards Issued by the Institute of Company Secretaries of India in respect of the Special Business under Item No 5 set out above is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required as per SS-2 is provided in the Notice.
2. In view of the MCA Circulars, no proxy shall be appointed by the members. However, corporate members are required to send to the Company, a certified copy of the Board Resolution/ Authorised nomination Letter pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.
3. Members holding shares in physical form are requested to consider converting their holding to dematerialized form.
4. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circular no 20/2020 dated 5th May, 2020 read with Circulars dated 8th April, 2020, 13th April, 2020 and General Circular No.02/ 2021 dated 13th January 2021 (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) can conduct on or before 31.12.2021 and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2021 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail addresses are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company.
5. The members who have not yet registered their e- mail ids with the company may contact Company Secretary on e-mail malleswari@bglgas.com for registering their e- mail ids .
6. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

ANNEXURE TO THE NOTICE BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO SS-2 OF THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Item no.2 of the Notice Shri Sanjiv Gujral (07808552) information about the appointee: -

Qualifications	Chartered Accountant
Experience	31 Years.
Date of First Appointment in BGL	29-04-2017
Relationship with Other Key Managerial Personnel (KMPs) and Directors	No relationship with other Key Managerial Personnel (KMPs) and Directors.
Shareholding in the Company	NIL.
Other Director ship in other Companies	NIL
No.of meetings of the Board attended from 01-04-2020 to 31-03-2021 after from the date of his appointment.	8

Your Directors recommend the resolution for approval of shareholders as an Ordinary Resolution.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, consent of the shareholders taken in the 17th Annual General Meeting, for authorizing the Board to approve the remuneration payable to the Cost Auditors for the financial year 2020-2021

The Board, on the recommendation of the Audit Committee, has approved appointment and remuneration of M/s Nageswara Rao & Co, Cost Accountants, Hyderabad [bearing Firm Registration Number 000332] to conduct the audit of the cost records of the Company for the financial year 2020-21. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified the shareholders of the Company. Accordingly, the members are requested to ratify the remuneration as approved by the Board to the Cost Auditors for the FY 2020-21 for the services rendered by them.

None of the Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the item no 4

Accordingly, the Board of Directors recommends the resolution set out at Item no. 4 for your approval.

Your directors recommend the resolution for approval of shareholders as an ordinary resolution.

ITEM NO. 5

Board of Directors have re-appointed Shri Sanjiv Gujral, nominee of HPCL, as Whole Time Director and designated him as Director Commercial cum C.F.O of Bhagyanagar Gas Limited for a period of one year with effect from 29th April 2021 to 26th April 2022 in pursuance of the provision of Section 196, 197, 198 and Schedule V of the Companies Act, 2013 .

Shri Sanjiv Gujral, is a Chartered Accountant. He has over 31 years of experience in various fields. He joined in HPCL in 1990 and handled various assignments during his tenure in HPCL with exposure of having worked at Budget & MIS at HPCL HQO, LPG Projects, Internal Audit, Zonal Finance and OCC/PPAC.

The terms and conditions of the appointment of Shri Sanjiv Gujral (Emp.No.31903770) of HPCL, who is on deputation to BGL appointed as Whole Time Director and Designated him as Director Commercial cum C.F.O are as under:-

PERIOD:

One year w.e.f., 29th April 2021 to 26th April 2022

REMUNERATION:-

Basic Salary per month Rs. 2,26,670 /-

In addition, he is entitled to variable D.A., Professional Pursuit Allowances, House maintenance/up keeping allowances and other allowances, as per rules of HPCL.

Annual Increment :

As per rules of HPCL





In addition to salary, the following perquisites will be provided as per relevant applicable rules of HPCL:-

1	Housing	HRA/ Company Leased Accommodation as per applicable rules of HPCL
2	PF Contribution	Contribution to Provident Fund, Superannuation Benefit Fund Scheme in accordance with the Rules of HPCL.
3	Gratuity	Gratuity as per the applicable rules of HPCL
4	Conveyance	Car with driver at the place of posting, presently Hyderabad
5	Travel Expenses	Reimbursement of travelling incurred for the business of the Company.
6	Leave	Leave as per the Rules of HPCL
7	Other allowances, benefits and perquisites	Other allowances, benefits and perquisites etc. as per the Rules of HPCL

As per Section 197 (1) of the Companies Act, 2013 the total managerial remuneration payable by public company, to its directors, including Managing Director and Whole Time Director and its manager in respect of any financial year shall not exceed 11% of net profits of the Company.

However, as per Section 197(3) of the Companies Act, 2013 if any financial year, company has no profits or its profits are inadequate, managerial remuneration payable to managing director and whole-time director shall be as per the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013.

Shri Sanjiv Gujral is interested in this resolution to the extent of his appointment as a Director.

None of the Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the item no 5

Accordingly, the Board of Directors recommends the resolution set out at Item no.5 for your approval.

Your Directors recommend the resolution for approval of shareholders as a Special Resolution.

By order of the Board
(Bhagyanagar Gas Limited)

Place: Hyderabad

Date : 24.08.2021

Sd/-
Malleswari G
Company Secretary



Shri A.K.Tiwari, Chairman of BGL visited Motherstation, Shamirpet Hyderabad





Independence Day Celebration at Shamirpet



To promote CNG vehicles and use of green fuel under SAKSHAM rally was organised by Bhagyanagar Gas Limited.





One day Intra Unit Cricket Tournament for employees of Bhagyanagar Gas Limited at Nizam Grounds.







DIRECTORS' REPORT

To

The Shareholders of Bhagyanagar Gas Limited

Your directors have pleasure in presenting the Eighteenth Annual Report, along with the Audited Accounts of the Company for the year ended 31st March, 2021, together with the Auditors' Report and Comments on the accounts by the Comptroller and Auditor General of India (C&AG).

PERFORMANCE DURING THE YEAR: -

A. During the year, segment-wise sales turnover was: -

(Rs.in Lakhs)

Product	For the year 31.03.2021	For the year 31.03.2020
Compressed Natural Gas (CNG)	8,479.31	15,198.68
Piped Natural Gas (PNG)	8,523.98	6,914.32
Total	17,003.29	22,113.01

B. The Company's financials are summarized below: -

(Rs.in Lakhs)

Particulars	For the year 31.03.2021	For the year 31.03.2020
Revenue from Operations	17,003.29	22,113.01
Other Income	315.20	429.62
Total Revenue	17,318.49	22,542.63
Cost of materials consumed/purchases/other expenses	12,591.34	17,501.82
Employee benefit expenses	439.25	347.87
Earnings Before Depreciation, Interest and Tax	4,287.90	4,692.94
Depreciation	1,959.15	1,539.16
Finance Cost	1,032.62	438.79
Profit before tax	1,296.13	2,714.99
Current Tax	122.41	585.21
Deferred Tax	315.43	219.45
Net Profit for the year after Tax	858.29	1,910.33



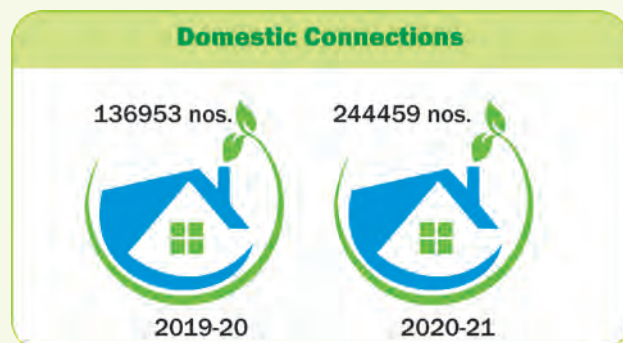
Achievements during the Year:

BGL is committed towards ensuring a cleaner and greener environment in its allocated GA's. In this endeavour, BGL has progressed by leaps and bounds across all its business segments. This progress was achieved by your company inspite of the massive impact of the COVID-19 Pandemic.

PNG Domestic Connections:

The Company provided 1,07,506 connections in FY 2020-21, which is the highest number of connections in a single financial year in the history of the company.

Description	GA	Cumulative Numbers	
		2019-20	2020-21
PNG Connections- Domestic	Hyderabad	69073	143248
	Vijayawada	23117	43124
	Kakinada	44763	58087

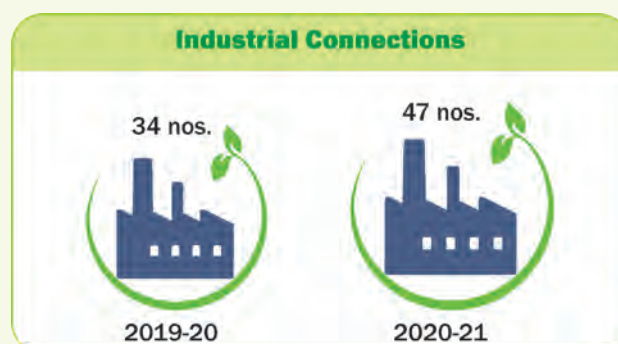
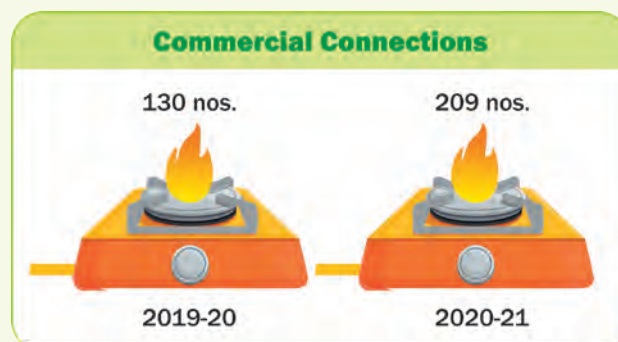


BGL continued with the promotional efforts of past years and coupled with optimum utilization of inhouse manpower targeted maximum agreements/registrations from builder segment/high-rise societies. This resulted in reduction of expenses towards marketing agencies. BGL team onboarded reputed customers during the financial year, viz Cyber City Developers, Manjeera Majestic, Kalpataru Residency, My Home Group, Prestige Group etc.

PNG I&C Customers:

During the financial year your company continued its thrust on the Commercial and Industrial Segment which is one of the potential growth areas in the coming years. BGL launched promotional scheme to onboard large number of customers in short span of time, resulting in agreements from 135 nos. commercial customers and 28 nos. of Industrial customers in FY 2020-21. The majority of commercial agreements were from gas charged areas, thereby reducing the turnaround time and maximizing the consumption. These efforts resulted in 209 nos. of CPNG and 47 nos. of IPNG customer (cumulative). During the year several

esteemed customers like M/s Gland Pharma, M/s Dr. Reddys Lab, M/s Hetero Lab, M/s Compass Kitchen, M/s Murali Fortune (ITC Groups Hotel), M/s Pista House, M/s Platform 65 etc. were onboarded.



CNG

Continuing the journey, the acceptance of CNG as a fuel has been increasing across all the GA's constantly in spite of setback during COVID-19 lockdowns. The main driver for this growth has been the economic advantage over other competitive fuels. The CNG average sale was 62827 SCMD during the year.

These Milestones were achieved by ensuring the availability of CNG, close coordination with OEMs and increased awareness among our I&C PNG customers to adopt CNG fuelled vehicle.

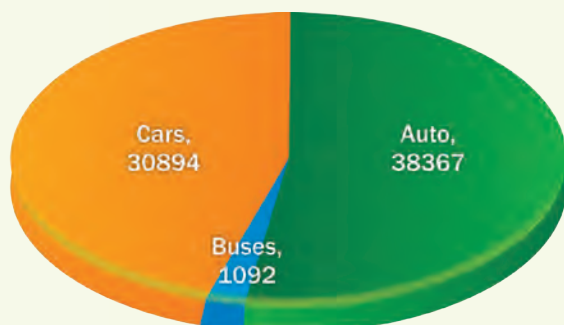
Your company has commissioned 31 CNG stations in Hyderabad, Vijayawada and Kakinada in FY 2020-21 to cater to the CNG supplies.

Road transport Corporation (RTC) is operating 214 buses in Vijayawada and 135 buses in Hyderabad on CNG.

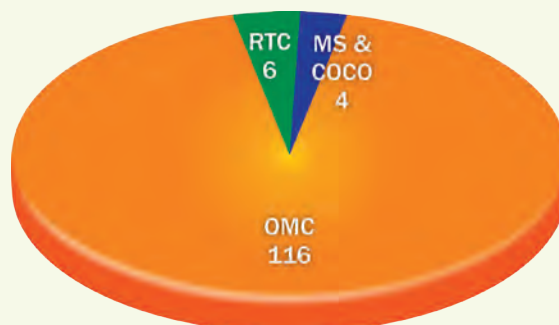
During the year BGL has conducted SAKSHAM 2020 rally in collaboration with Maruti, Piaggio, Eicher Motors, Bajaj Auto, Hyundai, Mahindra & Mahindra, TATA Motors. CNG retrofitters viz Pune CNG, Lovato etc. and fleet operators OLA & Uber. This event was intended to popularize CNG variant vehicles across all segments viz. 3 wheelers, cars, trucks, etc.



Description	Place	Numbers of Stations	
		2019-20	2020-21
CNG Stations	Hyderabad	62	84
	Vijayawada	23	30
	Kakinada	10	12



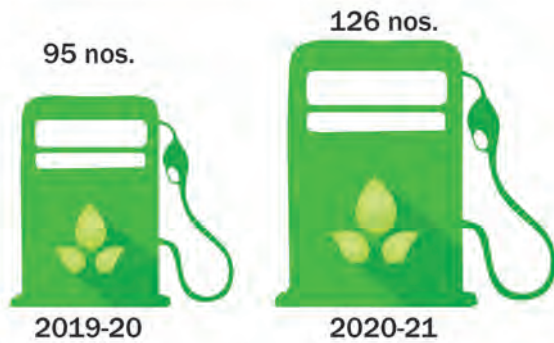
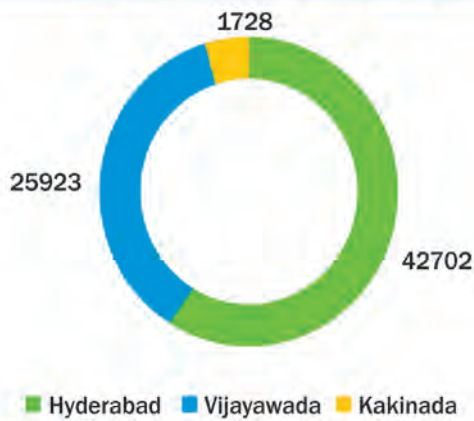
CNG Vehicle Population Count in BGL GA's



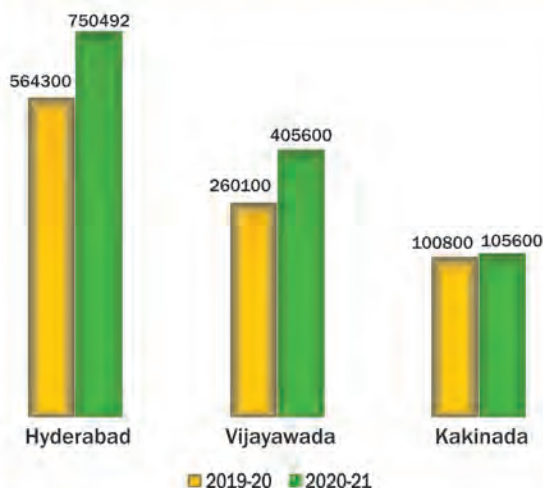
CNG Stations in BGL's GAS

MoPNG Review meeting of Oil Industry in Telangana



CNG Stations**CNG Vehicles in BGL GA's****Compression capacity:**

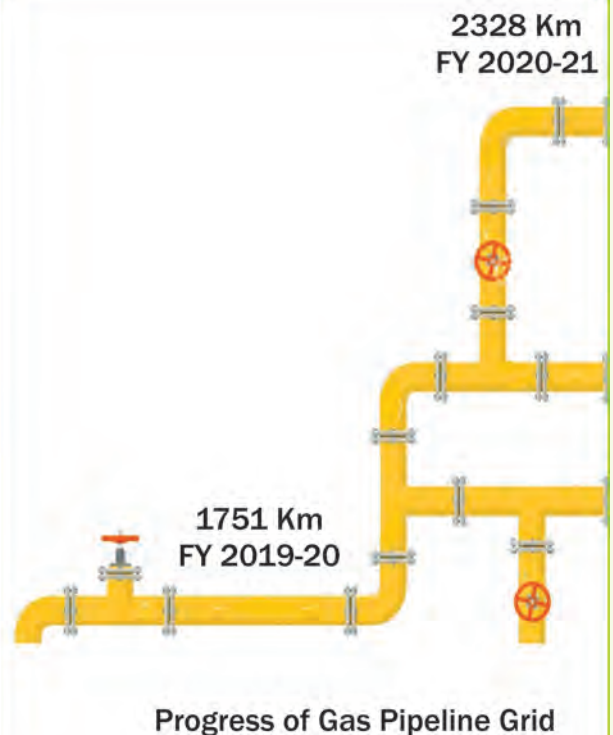
BGL has signed Term Sheet with M/s Torrent Gas Pvt. Ltd. and M/s IOCL for offering compression services for their authorized Geographical Areas.

Compression capacity in Kg/24 hours operation.**Pipeline Length (Steel & MDPE):**

BGL has increased its pipeline network (Steel and MDPE) from 1751.29 kms to 2327.99 kms over the financial years in the cities of its operation with them to connect more areas for increasing the supplies across all business segments.

Steel & MDPE laid as on FY 20-21

Geographical Area	Steel in Km.	MDPE in Km.
Hyderabad	78.42	821.18
Vijayawada	46.93	429.72
Kakinada	46.13	905.61



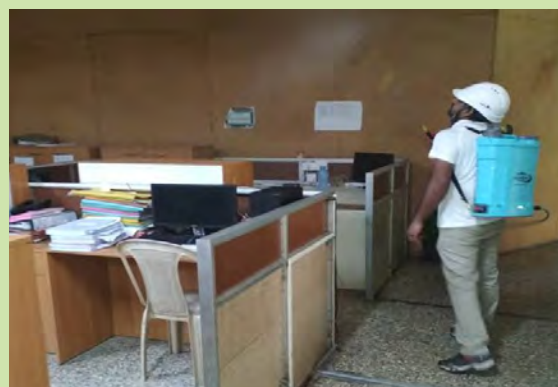


HUMAN RESOURCES: -

Your Company has always given importance to its Human Capital and believes that the challenges of the future can be best met with competent and motivated Human Resources. The Company keeps reviewing employee related welfare schemes from time to time to motivate the employees. The benefit and welfare of the employees is a priority at BGL. During the year, a number of team building, skill developments and sports events were conducted. Various celebrations are being organised for employees and their families to improve employee relations. HR has ensured harmonious relations within the employees and also with other stakeholders. During COVID-19, it was felt necessary to address the issue of safety and wellbeing of employees and their family members. Employees were given the facility to work from home and advised to strictly follow Government guidelines w.r.t COVID-19. HR organised free vaccination drive for all BGL & outsourced employees. BGL has provided COVID Kit containing Masks, Sanitizers, Pulse Oximeters, thermometers etc., worth of Rs.5000/- per family. All the offices are regularly sanitized.



Employee safety during COVID -19



BGL has sanitized all offices



Employees in various Events and Games with the awards and prizes.

INFORMATION TECHNOLOGY/AUTOMATION

- BGL is developing a customer centric focus and offers customers satisfying service each and every time through innovation, faster decisions, new business models and flexibilities. Our team undertakes intensive planning and monitoring to reach to people and provide them the convenience of natural gas. Connecting various households, industries and transport sector with the eco- friendly fuel and adding convenience and comfort in the lives of people across the nation has always been our mission.
- BGL is committed to build and maintain a customer friendly approach in its operations and systems. Company has undertaken several IT initiatives to simplify processes and to ensure unmatched customer service experience and thus bring greater efficiency. Initiatives like online registration, payment, Smart meters to automatically record the consumption of natural gas, mobile application, Customer Relationship Management (CRM) etc have streamlined the operations and propagated the customer-oriented approach of the organization. Company also ensures after sales services and is well equipped with 24x7 toll free customer care centre for resolving queries.
- 100% digitization of payments to vendors and service providers. During lockdown, Vendors, Contractors, etc. bills were paid smoothly through digital mode.
- Implementation of digital payment modes like BBPS, BHIM, UPI, PAYU, etc. for domestic PNG customers. Also, cashless modes are available for CNG users. Our online payment mode ensures utmost ease and flawlessness at the transaction level.
- The company has implemented SAP B1 to streamline and optimize its business operations.
- Despite restrictions imposed on account of COVID-19 outbreak and nationwide lockdown, your Company managed uninterrupted and safe operations of CNG & PNG to industries and domestic consumers and ensured the availability of Natural Gas.

FUTURE OUTLOOK:

The government is giving thrust to natural gas to make India as a Gas based economy. CGD sector is emerging as one of the high growth potential sectors in India. The government has taken various steps to promote CGD companies inter alia full allocation of gas for PNG domestic and transport requirements, giving public utility status and framing CGD model policy. The Company has been reviewing its corporate strategy to align it with changing scenario and increasing its customer base in existing business segments. Continued classification of CGD (CNG & D-PNG), as the priority sector, would continue to be the reason for increasing share of CGD in the total gas consumption. It is expected that the existing level of price differential will continue to drive conversion of petrol and diesel-driven vehicles to the CNG mode. With increase of CNG footprints across India, the car manufacturers have also aggressively launched CNG variants. Your Company is also exploring various models i.e., CBG and mobile refuelling unit to increase the footprint of CNG dispensing within its GAs. In the coming year, it is expected that State Pollution Control Board mainly in Telangana would also mandate use of CNG in vehicle segment and PNG by Industrial Customers in line with statutory directions, thereby giving further boost to Natural Gas volumes. Your company is participating substantially under SATAT (Sustainable Alternate Towards Affordable Transportation) initiative of MoPNG by issuing Letter of Intent to facilitate waste management and promote use of Biogas.



**SHARE CAPITAL: -**

The Authorised Share Capital of your Company as on 31st March 2021 is Rs.100 Crores, consisting of Rs.10 Crores equity share of face value of Rs.10/- each. The paid-up capital of the Company as on 31st March 2021 is Rs.89.58 crores. There was no change in authorised share capital and paid up share capital of the Company during the year under review.

BORROWING & DEBT SERVICING: -

The Company had been sanctioned a term loan of Rs 400 crores from ICICI Bank for Phase -I project expansion in 2017, which has been completely utilized. During the FY 2020-21, the Company had been sanctioned a fresh term loan of Rs. 250 Crores from ICICI Bank towards phase II of project expansion. The Company also availed Non-Fund -Based limits of Rs.65 Crores from ICICI Bank towards working capital and LC/ BG requirements.

LEGAL ENTITY IDENTIFIER NUMBER: -

As per the instructions of RBI, it is mandatory for corporate borrowers having aggregate fund-based and non-fund-based exposure of Rs.5 crore and above from any bank to obtain Legal Entity Identifier (LEI). Based on the instruction, BHAGYANAGAR GAS LIMITED obtained the LEI number: 335800G4BLDD9GWGPW20.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

-During the year under review, your Company did not have any subsidiary, associate and joint venture companies.

DIVIDEND: -

For the Financial Year 2020-21, the Board of Directors of your Company did not recommend any dividend.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY: -

There have been no material changes and commitments which could affect the Company's financial position between the end of the financial year of the Company

and date of this report. There has been no change in the business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT: -

During the year under review, there were no significant and/or material orders passed by any Regulator/ Court/ Tribunals which could impact the going concern status of your Company and its operations in future.

PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES: -

The details of transactions/contracts/arrangements entered by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in Annexure- I and forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES: -

The Company has not provided any loans, given any guarantees, provided any security or made any investment as per Section 186 of the Companies Act, 2013.

BOARD OF DIRECTORS: -

As per the provisions of Section 152 of the Companies Act, 2013, Shri Sanjiv Gujral (DIN: 07808552) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

BOARD MEETINGS: -

Pursuant to the provisions of Section 173 of the Companies Act, 2013 and rules made thereunder, every Company shall hold a minimum of four meetings of its Board of Directors every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. During the financial year 2020-21, the Board of Directors met Eight (8) times in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Despite COVID, Board meetings were held regularly thru virtual mode.

S. No	Name of the Director	Executive/Non-Executive/Independent	No.of Meetings Held in their period	No.of Meetings Attended
1	Shri A.K.Tiwari	Chairman & Non-Executive Director	8	8
2	Shri Rajeev Garg	Executive Director designated as Managing Director	8	8
3	Shri Dilip Kumar Pattanaik	Non- Executive Director	8	6
4	Shri Rajesh Vedvyas	Non-Executive Director	8	8
5	Shri Sanjiv Gujral	Executive Director designated as Director Commercial.	8	8

AUDIT COMMITTEE: -

Audit Committee of the members of the Board of Directors met Five (5) times during the financial year from 01.04.2020 to 31.03.2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder:-

The Composition of Audit Committee from 01-04-2020 to 31-03-2021 is as follows:-

- | | | | |
|----|---------------------|---|----------|
| 1. | Shri Rajesh Vedvyas | - | Chairman |
| 2. | Shri Rajeev Garg | - | Member |
| 3. | Shri Sanjiv Gujral | - | Member |

NOMINATION & REMUNERATION COMMITTEE: -

Nomination & Remuneration Committee of the members of the Board of Directors met two (2) times during the financial year from 01.04.2020 to 31.03.2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder: -

The Composition of Nomination and Remuneration Committee from 01-04-2020 to 31-03-2021 is as follows:-

- | | | | |
|----|----------------------------|---|----------|
| 1. | Shri Rajesh Vedvyas | - | Chairman |
| 2. | Shri A.K.Tiwari | - | Member |
| 3. | Shri Dilip Kumar Pattanaik | - | Member |

MANAGERIAL REMUNERATION AND SITTING FEES: -

The Managing Director and Director (Commercial) are nominated by GAIL (India) Ltd. and Hindustan Petroleum Corporation Ltd., respectively, and the terms and conditions of their appointment including remuneration are advised by their parent organizations. The Independent Directors are paid sitting fees of Rs. 20,000/- per Board Meeting and Rs.15,000/- per Committee Meeting for attending the meetings. Total sitting fees paid/payable during the financial year under review were Rs.2,95,000/-.

AUDITORS: -**STATUTORY AUDITORS: -**

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (CAG). Accordingly, M/s. KARRA & CO., Chartered Accountants was appointed as the Statutory Auditors of your Company for the financial year 2020-2021. The Auditors' Report of your Company's Annual Accounts for the financial year ending 31st March, 2021, does not contain any qualification, reservation or adverse remark. The report is enclosed with the financial statements in this annual report.

SECRETARIAL AUDITORS :-

The Board of Directors appointed M/s. Nekkanti S.R.V.V.S Narayana & Co, Company Secretaries, as the Secretarial Auditors for the financial year 2020-21 and their report is given as Annexure -2

COST AUDITORS :-

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors appointed M/s. Nageswara Rao & Co, Cost Accountants, Hyderabad, as the Cost Auditors of the Company for the financial year 2020-21.





COST RECORDS: -

The Company is required to maintain cost records as specified under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained and the relevant forms filed with the Ministry of Corporate Affairs.

INTERNAL AUDITORS: -

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors appointed M/s. Ramachandram & Co., Chartered Accountants, Hyderabad, as the Internal Auditors of the Company for the financial year 2020-21.

INTERNAL FINANCIAL CONTROLS: -

Your Company has adequate Internal Financial Controls in place commensurate with the nature of the Company's business and size and complexity of its operations and has been operating satisfactorily. Your company has appointed M/s. Ramachandram & Co., Chartered Accountants, Hyderabad, as IFC Auditors of the Company for the financial year 2020-21.

As part of this exercise, the design of internal controls and its operating effectiveness is tested by independent experts i.e., M/s Ramachandram & Co., Chartered Accountants. Based on the review carried out, independent experts have confirmed that they are satisfied with the effectiveness and adequacy of Internal Controls over Financial Reporting.

PARTICULARS OF DEPOSITS:-

During the year under review, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as of the Balance sheet Date.

OTHER DISCLOSURES: -

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

EXTRACT OF ANNUAL RETURN:-

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2021 made under the provisions of Section 92(3) of the Act is attached as Annexure –III which forms part of this Report and the same also available in the website of BGL: www.bglgas.com .

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc., are furnished in Annexure-IV which forms part of this Report.

RISK MANAGEMENT POLICY OF BGL:-

Bhagyanagar Gas Limited, a joint venture of GAIL (India) Limited, and HPCL, was incorporated as a City Gas Distribution company for distribution and marketing of Compressed Natural Gas (CNG) and distribution of Piped Natural Gas (PNG) to Domestic, Commercial and Industrial Sectors in the states of Telangana and Andhra Pradesh. BGL is authorized



by the Central Government to lay, build, operate and expand city gas distribution project in Hyderabad, Vijayawada and Kakinada. Risk is inherent to all businesses and the key to success is to anticipate, take and manage the right risks. In today's VUCA (Volatile, Uncertain, Complex and Ambiguous) world, the external and internal environment is changing at an ever-increasing pace and which, in turn, requires businesses to not only manage the existing risks but anticipate emerging risks and deploy mitigating strategies on a continuous basis. It is imperative for businesses to design a robust enterprise risk management framework to identify all existing and emerging risks, minimize the impact and seize the opportunities created by these continuously evolving changes. Your Company has formulated and approved the Risk Management Policy and put in place the mechanism to inform the Board Members about the risk assessment and minimization procedures, and periodical review to ensure that executive management controls risks by means of a properly identified framework.

CORPORATE SOCIAL RESPONSIBILITY :-

Corporate Social Responsibility Committee met two (2) times during the financial year from 01.04.2020 to 31.03.2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The Composition of CSR Committee from 01-04-2020 to 31-03-2021 is as follows:-

1.	Shri. Rajesh Vedvyas	-	Chairman
2.	Shri Rajeew Garg	-	Member
3.	Shri Sanjiv Gujral	-	Member

Your Company being a responsible corporate entity has been continuously contributing in social developments. In the year 2020-21 Rs. 11.30 lakhs were spent under CSR by donating two Mahindra Jeeto Vehicles to GHMC and for the remaining balance provision was created towards unspent amount of Rs.36.13 lakhs relating to the financial year 2020-21 which shall be transferred to the funds specified in Schedule VII of the of the Companies Act 2013 before 30-09-2021.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE: -

Your Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at workplace in line with the requirements of the Sexual Harassment of Woman at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Compliance Committee has been set up to address complaints received regarding Sexual Harassment. During the Year 2020-21, no complaints were received.

HSE (HEALTH, SAFETY AND ENVIRONMENT):-

During the year under review, your Company undertook several training sessions to strengthen both its business activities . 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 incidents. Your Company is committed to promote globally comparable levels of HSE management in the areas of its business. A number of initiatives have been taken to ensure safety of both people and equipment, and as a result, your Company was able to achieve the 617185 accident free manhours for the last financial year. The ability to share knowledge across organizational boundaries is a key aspect of a sound HSE culture. Your Company held several knowledge sharing and training sessions to create awareness on all critical





issues related to health and safety during work and beyond. Your Company is complying with all relevant statutory rules and regulations including PNGRB regulations on safety, occupational health and environment in order to achieve utmost safety in all its working and business activities.



Mock drill organized at sites for promotion of safe operations

Your Company has always accorded top most priority to Safety. It has made concerted efforts to maintain a good safety culture and highest safety standards. Regular trainings are imparted to drivers, PNG customers, employees, contractual staff and other stakeholders. For BGL, safety comes first, for all its stakeholders. It implements the best possible health and safety measures to ensure safety of its employees, customers, contractors and workers and all stake holders. Taking into consideration the health risks posed by the global pandemic, it was imperative to reduce points of physical contact. The city gas distribution (CGD) network in India has been growing at a rapid pace and natural gas in the form of PNG and CNG is being extensively used around the country. New and innovative contact-less solutions were introduced to address issues promptly and enhance safety of its staff. company remains optimistic about creating long-term value for all its stakeholders, despite current hurdles and obstacles.

Your Company is focused on improvement of harmony with environment through sustainable development. And 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, And Environment (HSE), and loss control in all areas of implementation of the CGD projects distribution through the 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 other untoward incidents. Leads / Major initiatives taken to ensure the safety.

Safe Man hours of your company for the Financial Year 2020-2021

S.NO	LOCATION	BGL (Safe Man Hours)	OUTSOURCED (Safe Man Hours)
1.	HYDERABAD	82907	270504
2.	VIJAYAWADA	16744	149422
3.	KAKINADA	12280	85328
	SAFE MAN HOURS	111931 (A)	505254 (B)
	TOTAL SAFE MAN HOURS (A+B)	617185	

PARTICULARS OF EMPLOYEES: -

During the year under review, there were no employees in receipt of remuneration exceeding the limits prescribed under Rule 5 (2) of (Companies Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT: -

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2021, the Board of Directors hereby confirms 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 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.

COVID -19

The COVID -19 pandemic is a world wide crisis and has meant that the economies will have to operate along side the disease. CNG and PNG commercial Sales were adversely impacted during COVID-19 lockdown. The Sales Volume are now picking up with the ease down of lockdown situation and expected to improve further in the coming months.

The Company strictly followed the guidelines issued by local, state and central governments and also went beyond to protect the health and well being of its workforce and ensured minimum disruption to its customers. The Company provided support to its employees and their families to undergo vaccination.

ACKNOWLEDGMENTS AND APPRECIATION: -

Your Directors take this opportunity to thank the Government of India, Ministry of Petroleum and Natural Gas, State Govt. of Andhra Pradesh and Telangana, Petroleum Natural Gas Regulatory Board, customers, shareholders, suppliers, bankers, promoters, financial institutions, employees for their consistent support and encouragement to the Company.

On behalf of the Board of Director
Bhagyanagar Gas Limited

Date: 24.08.2021

Place: Hyderabad

Sd/-

Rajeev Garg

Managing Director

Sd/-

Sanjiv Gujral

Director Commercial





ANNEXURE- 1

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 arrangements or transactions not at arm's length basis:-

Name(s) of the related party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts / arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

BGL is purchasing Natural Gas from GAIL and selling CNG to HPCL in the normal course of Business. BGL has entered an agreement with GAIL and HPCL and at arm's length basis.

The following transactions were entered with related parties (In Rs. Lacs)

Name of the Related Party	HPCL For the year 2020-21	GAIL For the year 2020-21
Nature of transaction:		
Purchases - Natural Gas	NIL	6329.86
Sales – CNG	5202.90	-
Manpower Cost of Employees on deputation	228.06	417.02
LC with GAIL	NIL	1711.53
NG Compression Service	-	115.23

NEKKANTI S.R.V.V.S. NARAYANA & CO.
Company Secretaries

Plot No.29, 2nd Floor, Gafoor Nagar,
 Madhapur, Hyderabad - 500029
 Handheld +91-94 40 14 13 68
 E-mail : : nekkanti@nekkanti.in

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
 [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,
 Bhagyanagar Gas Limited
 Parishram Bhawan,
 Basheerbagh, Hyderabad
 Telangana – 500004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhagyanagar Gas Limited (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Bhagyanagar Gas Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 and made available to us, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under; (not applicable to the Company during the Audit Period being an Unlisted Company);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit Period as the Company had no Foreign Direct Investment and Overseas Direct Investment and has not raised External Commercial Borrowings);
- (v) The Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) and the Regulations and Guidelines prescribed thereunder; (not applicable to the Company during the Audit period being an Unlisted Company);
- (vi) Other laws applicable specifically to the Company, namely:
 - (a) The Petroleum and Natural Gas Regulatory Board Act, 2006 (hereinafter called the ‘PNGRB Act’)
 - (b) The Legal Metrology Act, 2009 and rules made thereunder
 - (c) The Explosives Act, 1884; and Rules 2008





- (d) The Petroleum Act, 1934
- (e) Gas Cylinder Rules, 2004

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines Standards, etc. except not spending partial amount which is required to be spent for the activities as per the Corporate Social Responsibility (CSR) Policy of the company pursuant to the provisions of Section 135 of the Companies Act, 2013 and rules made there under.

We further report that:

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in our opinion, 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 were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

We further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, mles, regulations, guidelines etc. having major bearing on the Company's affairs.

Date : 24th July, 2021

Place : Hyderabad

For NEKKANTI S.R.V.V.S. NARAYANA & CO.
Company Secretaries

NEKKANTI S.R.V.V.S. NARAYANA
Proprietor

M.No.F7157, C.P.No.7839

ICSIUDIN: FO07157C000683030



Note:

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



ANNEXURE-A

To

The Members,
Bhagyanagar Gas Limited
Parishram Bhawan,
Basheerbagh, Hyderabad
TG-500004

Our report of even date is to be read along with this letter:

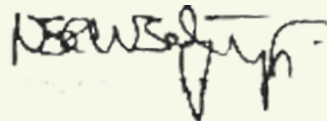
1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of 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.

Date : 24th July, 2021

Place : Hyderabad

For NEKKANTI S.R.V.V.S. NARAYANA & CO.

Company Secretaries



NEKKANTI S.R.V.V.S. NARAYANA

Proprietor

M.No.F7157, C.P.No.7839

ICSIUDIN: FO07157C000683030



**ANNEXURE - 3****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U40200TG2003PLC041566
Registration Date	22-08-2003
Name of the Company	BHAGYANAGAR GAS LIMITED
Company Category	COMPANY LIMITED BY SHARES
Company Sub- Category	INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office and contact details	PARISHRAM BHAVAN, APIDC BUILDING, BASHEER BAGH, HYDERABAD-04
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	KFin Technologies Pvt. Ltd. Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Phone +91 40 67161603/04

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing the 5% of total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Income from CNG and PNG	3520	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	GAIL (INDIA) LIMITED	L40200DL1984 GOI018976	Associate Company	48.73%	Section 2(6)
2	HPCL	L23201MH1952 GOI008858	Associate Company	48.73%	Section 2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):-

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2020)				No. of Shares held at the end of the year (31.03.2021)				%Change +/- during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual along GAIL/HPCL	3	3	6	0	4	2	6	0	%
b) Central Govt Companies GAIL (INDIA) LIMITED HPCL	4,36,49,997 4,36,49,997	0 0	4,36,49,997 4,36,49,997	48.73% 48.73%	4,36,49,997 4,36,49,997	0 0	4,36,49,997 4,36,49,997	48.73% 48.73%	0% 0%
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any others (Joint Names)	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):	8,72,99,997	3	8,73,00,000	97.46%	8,72,99,998	2	8,73,00,000	97.46%	0%
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8,72,99,997	3	8,73,00,000	97.46%	8,72,99,998	2	8,73,00,000	97.46%	0%
B. Public Shareholding									



Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2020)				No. of Shares held at the end of the year (31.03.2021)				%Change +/- during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s) APIC	22,30,961	0	22,30,961	2.49%	22,30,961	0	22,30,961	2.49%	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
Others (specify) Kakinada Sea Port Limited	0	48,500	48,500	0.05%	0	48,500	48,500	0.05%	0%
Sub-total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions	0	0	0	0	0	0	0	0	0
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify) Individuals	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding	0	0	0	0	0	0	0	0	0
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8,95,30,958	48,503	8,95,79,461	100%	8,95,30,959	48,502	8,95,79,461	100%	-

ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	GAIL (INDIA) LIMITED	4,36,49,997	48.73%	0	4,36,49,997	48.73%	0	0
2	Individual 3 Shareholders Jointly with GAIL	3	0	0	3	0	0	0
3	HPCL	4,36,49,997	48.73%	0	4,36,49,997	48.73%	0	0
4	Individual 3 Shareholders Jointly with HPCL	3	0	0	3	0	0	0
	Total	8,73,00,000	97.46%	0	8,73,00,000	97.46%	0	0

CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):-

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	8,73,00,000	97.46%	8,73,00,000	97.46%
2	Increase/ Decrease in no. of shareholdings	-	-	-	-
3	At the End of the year	-	-	8,73,00,000	97.46%





iii. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year				
	Kakinada Seaports Limited	48,500	0.05%	48,500	0.05%
	APIIC	22,30,961	2.49%	22,30,961	2.49%
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.,)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)				
	Kakinada Seaports Limited	-	-	48,500	0.05%
	APIIC			22,30,961	2.49%

iv. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.,)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil



V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,80,00,00,000	NIL	NIL	2,80,00,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	6,53,580	NIL	NIL	6,53,580
Total (i+ii+iii)	2,80,06,53,580	NIL	NIL	2,80,06,53,580
Change in Indebtedness during the financial year				
Addition	2,10,09,35,474	NIL	NIL	2,10,09,35,474
Reduction	6,53,580	NIL	NIL	6,53,580
Net Change	2,10,02,81,894	NIL	NIL	2,10,02,81,894
Indebtedness at the end of the financial year				
i) Principal Amount	4,90,00,00,000	NIL	NIL	4,90,00,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	9,35,474	NIL	NIL	9,35,474
Total (i+ii+iii)	4,90,09,35,474	NIL	NIL	4,90,09,35,474

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: -

Sl. No.	Particulars of Remuneration	Name of MD/ WTD		Total Amount (Rs)
		Managing Director	Director Commercial	
1	Gross salary	Shri Rajeev Garg	Shri Sanjiv Gujral	
		01-04-2020 to 31-03-2021		INR (Rs)
2	Salary and allowances, Car Hire Charges, Driver Salary & fuel charges & other expenses etc.,	1,09,15,377	90,63,463	1,99,78,840
3	Stock Option	0	0	0
4	Sweat Equity	0	0	0
5	Commission	0	0	0
	- as % of profit	0	0	0
6	-others, specify	0	0	0
	Total	1,09,15,377	90,63,463	1,99,78,840





B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs)
		Shri A.K.Tiwari (Chairman)	Shri Dilip Kumar Pattanaik (Non-executive Director)	Shri Rajesh Vedvyas (Independent Director) @	
		01-04-2020 To 31-03-2021	01-04-2020 To 31-03-2021	01-04-2020 to 31-03-2021	
1.	Independent Directors				
	Fee for attending board / committee meetings	-	-	2,95,000/-	2,95,000/-
	Commission	-	-	-	-
	Others, please specify	-		-	
	Total	0	0	2, 95 ,000	2, 95 ,000
@ Excluding the arrangement of Flight Tickets for attending the Board /Committee Meetings / arrangement of Transport / Hotel accommodation					
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending board/ committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0

@ Excluding the arrangement of Flight Tickets for attending the Board /Committee Meetings.



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	C.T.C	0	13,50,000/-	0	13,50,000/-
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please Specify	0	0	0	0
	Total	0	13,50,000/-	0	13,50,000/-

(a) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0



**ANNEXURE -4****DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014****(A) Conservation of energy:-**

All the energy conservation measures have been included in the plant design of CNG Mother Station as well the Daughter stations commissioned in Vijayawada, Kakinada and Hyderabad. The details relating to energy consumption in Mother Station and energy consumption per unit of production is given below:

Power & Fuel Consumption:-

Particulars	2020 - 21	2019 -20
i) Electricity purchased		
Units consumed (kVAh)	264,807	339,332
Total Amount in Rs.	2,260,418	2903454
Rate / Unit (Rs. kVAh)	8.54	8.56
Demand load charges in Rs.	1,850,849	1,834,954
ii) Natural gas as fuel (kg.) consumed	725,350	1,125,222

Consumption per MT of production: -

Particulars	2020 - 21	2019 -20
CNG Production (Total/MT)	17,736.15	30,291.64
Electric Driven Production (MT) - Mother Station	732.98	1,138.29
Gas Driven Production (MT)	14,124.39	24,413.12
Electric Driven Production (MT)-Otherthan MS	2,878.78	4,740.23
Electricity Consumed (in kVAh)/MT	361.27	298.11
Natural Gas as fuel (in kg.)	51.35	46.09

(B) Technology absorption:-

Efforts made towards technology absorption	NIL
Benefits derived like product improvement, cost reduction, product development or import substitution	NIL
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	NIL
Year of import	NIL
Whether the technology has been fully absorbed	NIL
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NIL
Expenditure incurred on Research and Development	NIL

(C) Foreign exchange earnings and outgo: -

	2020-21	2019 -20
	Amount in Rs.	Amount in Rs.
Actual Foreign Exchange earnings	NIL	NIL
Actual Foreign Exchange outgo	NIL	NIL



MAHINDRA- JEETO CNG GARBAGE VEHICLES DONATIONS UNDER C.S.R



**ANNEXURE -5****FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT
FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020****1. Brief outline on CSR Policy of the Company.**

A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and reference to the weblink: www.bglgas.com to the CSR Policy and projects or Programmes:-

BGL Recognises its responsibility toward the Community and has contributed over the years towards the goal of achieving sustainable development. As per Companies Act, 2013 we have our CSR Policy and guidelines in place and the highlights of the same are as below:

- In every financial year, 2% of the Average net profits of the Company made during the immediately 3 financial years will be earmarked for undertaking CSR activities.
- We have CSR Committee of the Board headed by Independent Director and HR -Head monitors the CSR Proposals spent amount and periodically submits the reports to CSR Committee and Board.
- The company takes the CSR Projects only in the areas specified in the Schedule VII of the Companies Act 2013 and which are covered in the Company CSR policy.

2. Composition of CSR Committee:

Sl. No.	Name of Director Designation /	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Rajeev Garg	Managing Director	2	2
2	Shri Rajesh Vedvyas	Independent Director	2	2
3	Shri Sanjiv Gujral	Director Commercial cum CFO	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - www.bglgas.com.
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) -
Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2020-21	NIL	NIL

6. Last three years Average net profit of the company as per section 135(5) - Rs.2371.44 Lakhs

7. (a)	Two percent of average net profit of the company as per section 135(5)	Rs. 47.43 Lakhs
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
(c)	Amount required to be set off for the financial year	NIL
(d)	Total CSR obligation for the financial year (7a+7b-7c).	Rs. 47.43Lakhs

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 35(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
Rs 11.30 Lakhs	NIL	NIL	Fund specified under Schedule VII of the Companies Act, 2013	36.13	Will transfer on or before 30th September 2021



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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
				State	District			
1	(Two) Mahindra Jeeto Vehcles donated to GHMC with a branding of BGL.	VII(i)	Yes	Telangana	Hyderabad	Rs 11.30 Lakhs	YES	-

(d)	Amount spent in Administrative Overheads	NIL
(e)	Amount spent on Impact Assessment, if applicable	NIL
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	Rs 11.30Lakhs

(g) Excess amount for set off, if any

Sl. No	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	Rs 47.43Lakhs
2	Total amount spent for the Financial Year	Rs 11.30 Lakhs
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL



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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding Financial years (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
							NIL

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project	Financial Year in which the project was Commenced.	Project Duration.	Total amount allocated for the project (In Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing.
							NIL	

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).	NIL
(a)	Date of creation or acquisition of the capital asset(s).	NIL
(b)	Amount of CSR spent for creation or acquisition of capital asset.	NIL
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NIL
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the year we have spent Rs. 11.30 Lacs. HR department was unable to identify proper projects for spending the remaining CSR Amount of Rs.36.13 Lacs. "Provision was created towards unspent amount of Rs.36.13 lakhs relating to the financial year 2020-21, which shall be Transferred to the funds specified in Schedule VII of the Companies Act, 2013 before 30th September 2021.

Sd/-

SANJIV GUJRAL
(DIRECTOR -COMMERCIAL cum CFO)

Sd/-

MOOKERJEE INDRAJIT
(HEAD -HR)



Vijayawada & Kakinada Achievements



Inauguration of Dist Jail CNG Stn-1, Vijayawada



Inauguration of Dist Jail CNG stn-2, Vijayawada



Inauguration of K. Rammohan Rao CNG stn-1, Vijayawada



Inauguration of K. Rammohan Rao CNG stn-2, Vijayawada



Inauguration of Zilla Jail CNG Stn-3, Vijayawada



K Rama Mohan Rao & Co. IOCL Auto Nagar 1



Pavan Siva Sai ADHOC HPCL RO 29.06.2020 2



Ravi Kiran Filling Station HPCL



Raja Filling Station, Turangi, Commercial start of CNG operations



Ambica Fuels, Samalkot, Opening



4 inch steel pipeline works for maintenance, flushing 1



4 inch steel pipeline works for maintenance, flushing 2





INDEPENDENT AUDITOR'S REPORT

(ISSUED CONSEQUENT TO PROVISIONAL COMMENTS BY DEPUTY DIRECTOR, CAG,
VIDE LETTER NO. No. DGCA/Hyd/A/c Desk/BGL/ 2020-21/1.16/144 DATED 17.08.21)
and it supersedes our Independent Auditor's Report dated 13.05.2021).

TO THE MEMBERS OF BHAGYANAGAR GAS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BHAGYANAGAR GAS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flow for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

Note No.45 – Impact of Covid-19 – Estimation of uncertainties relating to the global health pandemic from Covid-19 and the assessment made by the management on its business and financials for the year ended March 31, 2021, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on circumstances as they evolve in the subsequent periods.

Our opinion on the Statement is not modified in respect of these matters.

Management's Responsibility for the Standalone Financial Statements

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



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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), Rules, 2014 in our opinion and to the best of our information and according to the explanation given to us :
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements
 - (ii) The Company has made provision, as required under the applicable law of accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Provident Fund by the Company
 - h) As required under section 143(5) of the Companies Act, 2013, being the directions issued by the Comptroller and Auditor General for the year ended March 31st, 2021, we report that:
 - a) The Company is having existing system of accounting under Tally ERP through which all the accounting transactions are accounted. However, the Material/Inventory management is separately tracked and accounted in Tally. The Company has started the development of SAP System based on CGD Industry customization. Development of Billing and collection software has been taken up by the Company to resolve all the issues in the accounting transactions through IT systems and the same will be integrated to SAP in future period.
 - b) There is no case of restructuring of existing loan, waiver/write-off of debts/loans/interest etc.
 - c) As per information, explanation and records produced for verification, there are no funds received/receivable for any specific schemes from central government/state agencies.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Karra & Co.

Chartered Accountants

FRN:001749S

K.Sathya Narayanan

Partner

Mem.No.210737

UDIN: 21210737AAAAET4114

Place: Chennai

Date: 20th August 2021



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of BHAGYANAGAR GAS LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone 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. 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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the 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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

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.

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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Karra & Co.

Chartered Accountants

FRN:001749S

K.Sathya Narayanan

Partner

Mem.No.210737

UDIN: 21210737AAAAET4114

Place: Chennai

Date: 20th August 2021



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BHAGYANAGAR GAS LIMITED of even date).

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management to cover all the assets in every two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Refer Note. 14E forming part of the financial statements for the physical verification of fixed assets during the year.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of company, the title deeds of immovable properties, as disclosed in Note 14 on fixed assets to the financial statements, are held in the name of the company, except for (i) freehold lands acquired bearing Survey No.125/126 1266 and 24B, which are under the possession of the company, pending documentation, having carrying value of Rs.374.48 lakhs (31-03-2020 Rs.374.48 Lakhs) and (ii) As per Note 17 - leasehold lands at APIIC Industrial Park, Kondapally, Vijayawada admeasuring 4450.34 Sq.Mtrs and 1200 Sq.Mtrs is 52.61 lakhs (31-03-2020 Rs.54.96 lakhs) as at March 31, 2021. The details of gross block and net block of leasehold land for the current and previous year are mentioned below.

Year Ended	Gross Block	Net Block
31.03.2021	77.48	52.61
31.03.2020	77.48	54.96

In respect of immovable properties taken on lease and disclosed as Right of use Assets in the standalone financial statements, the lease agreements are in the name of the Company.

- (ii) According to the information and explanation given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. There were discrepancies noticed on verification of physical stock with the stock as per books, which have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act 2013. Thus, paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans to directors or made investments, provided any guarantees and securities as applicable under the provisions of Section 185 & 186 of the Companies Act, 2013 and therefore the provisions of Clause 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the services of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, investor education and protection fund, Income Tax, Sales Tax, Value added Tax, Wealth Tax, Goods and Services Tax, Customs Duty, Excise Duty,





Cess and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31ST March,2021.

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, wealth tax, service tax, customs duty, VAT, Excise Duty, GST and cess as at 31ST March,2021 which has not been deposited on account of a dispute except as under:

S.No	Name of the Statute	Nature of Due	Amount Involved	Claim Period	Forum where dispute is pending
1	Central Excise and Service Tax	Excise Duty	4,378,922	FY 2005-06 to FY 2009 -10	CESTAT, Hyderabad
2	Central Excise and Service Tax	Excise Duty	919,985	FY 2009-10 to FY 2010 -11	CESTAT, Hyderabad
3	Central Excise and Service Tax	Excise Duty	767,312	FY 2010 -11 to FY 2011-12	CESTAT, Hyderabad
4	Central Excise and Service Tax	Excise Duty	7,434,414	FY 2011-12 to FY 2015-16	CESTAT, Hyderabad
5	Central Excise and Service Tax	Excise Duty	1,713,264	FY 2015-16 to DY 2016-17	CESTAT, Hyderabad
6	Central Excise and Service Tax	Excise Duty	1,861,911	FY 2017-18	Office of the Assistant Commissioner of Central Tax, Amavarathi Division
7	Central Excise and Service Tax	Excise Duty	1,552,671	FY 18-19	Office of the Deputy Commissioner of Central Tax, Amavarathi Division
8	Central Excise and Service Tax	Excise Duty	1,482,023	FY 2019-20	Office of the Deputy Commissioner of Central Tax, Amavarathi CGST Divisional Office
9	Central Excise and Service Tax	Excise Duty	2,680,398	FY 2011-12 to FY 2014-15	CESTAT, Hyderabad
10	Central Excise and Service Tax	Excise Duty	2,123,457	FY 2014-15 to FY 2015-16	CESTAT, Hyderabad
11	Central Excise and Service Tax	Excise Duty	2,922,891	FY 2015-16 to FY 2017-18	CESTAT, Hyderabad
12	Central Excise and Service Tax	Excise Duty	50,664	FY 2014-15	Commissioner of Customs, Central Excise & Service Tax (Appeals), Guntur
13	Central Excise and Service Tax	Excise Duty	8,300,478	FY 2011-12 to FY 2013-14	CESTAT, Hyderabad
14	Central Excise and Service Tax	Excise Duty	3,844,249	FY 2017-18 to FY 2018-19	Office of Commissioner (Appeals) GST, Customs & Central Excise, Basheerbagh, Hyderabad
15	Central Excise and Service Tax	Excise Duty	3,247,941	FY 2019-20	Office of the Deputy Commissioner of Central Tax, Central Excise and Service Tax
16	Income Tax ACT 1961	Income Tax Assessment Dues	2,340,958	FY 2007-08	The High Court of A.P. and Telangana

S.No	Name of the Statute	Nature of Due	Amount Involved	Claim Period	Forum where dispute is pending
17	Income Tax ACT 1961	Income Tax Assessment Dues	9,685,624	FY 2008-09	The High Court of A.P. and Telangana
18	Sales Tax Act	VAT	1,672,950	FY 2014-15	AP VAT Tribunal, Vizag

- (viii) According to the information and explanations given to us and the records of the company examined by us, the company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date. The Company has not issued any debentures.
- (ix) On the basis of our review of utilization of funds pertaining to term loans on overall basis and related information and explanations as made available to us, the term loans taken by the company has been utilized for the purpose of which they were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has paid /provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of Sec.197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our Opinion and according to the explanations given to us, the company is in compliance with sec 177 and 188 of Companies Act 2013, where applicable for all the transactions with the related parties and the details of related party transactions have been disclosed in the Financials statements as required by the applicable Indian Accounting Standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Karra & Co.

Chartered Accountants

FRN:001749S



K.Sathiyar Narayanan

Partner

Mem.No.210737

UDIN: 21210737AAAAET4114

Place: Chennai

Date: 20th August 2021





Hyderabad Achievements

INAUGURATION OF CNG FILING STATION AT YOUSUFGUDA



D-PNG supply through DCU (Decompressed Unit) at Prestige Group



Long service award received by Shri Rajeev Garg, MD of BGL for serving 30 years in GAIL by C&MD GAIL



D-PNG inauguration function at Manjira Majestic Samety



Long service award received by Shri S M Basha, DGM (Projects and O&M) of BGL for serving 25 years in GAIL by Sh. Rajeev Garg, MD BGL



D-PNG supply through DCU (Decompressed Unit) at my home Avtar Apartments



D-PNG inauguration function at Manjira Majestic





BHAGYANAGAR GAS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2021

₹ in Lacs

	Particulars	Note No.	AUDITED	
			31st March 2021	31st March 2020
	Assets			
1.	Non-current assets			
	Property, plant and equipment	14	56,735.49	43,295.90
	Capital work-in-progress	14	33,596.54	23,405.49
	Financial assets			
	Other financial assets	15	1,881.33	1,552.36
	Other tax assets (Net)	16	305.41	98.33
	Other non-current assets	17	361.51	479.30
	Total non-current assets		92,880.28	68,831.38
2.	Current assets			
	Inventories	18	200.64	225.65
	Financial assets			
	(i) Trade receivables	19	2,535.25	1,356.12
	(ii) Cash and cash equivalents	20	1,419.50	1,560.32
	(iii) Other bank balances	21	170.25	165.19
	(iv) Other financial assets	22	20.23	13.05
	Other current assets	23	258.75	188.07
	Total current assets		4,604.63	3,508.39
	Total assets		97,484.91	72,339.77
	Equity and liabilities			
	Equity			
	Equity share capital	24	8,957.95	8,957.95
	Other equity			
	(i) Share application pending allotment	25	208.87	208.87
	(ii) Retained earnings		9,515.62	8,837.89
	(iii) Share Premium		16,929.40	16,929.40
	Total equity		35,611.84	34,934.11
	Liabilities			
1.	Non-current liabilities			
	Financial liabilities			
	Borrowings	26	44,000.00	28,000.00
	Provisions	27	122.49	112.47
	Deferred tax liabilities (Net)	28	2,018.50	1,703.61
	Total non-current liabilities		46,140.98	29,816.08
2.	Current liabilities			
	Financial liabilities			
	(i) Borrowings	26	5,000.00	-
	(ii) Trade payables	29		
	A. Total Outstanding dues of micro enterprises and small enterprises: and		89.56	243.10
	B. Total Outstanding dues of creditors other than micro enterprises and small enterprises.		813.22	721.14
	(iii) Other financial liabilities	30		
	A. Total Outstanding dues of micro enterprises and small enterprises: and		1,054.20	737.65
	B. Total Outstanding dues of creditors other than micro enterprises and small enterprises.		6,031.38	4,225.45
	Other current liabilities	31	2,722.64	1,641.03
	Provisions	32	21.08	21.22
	Total current liabilities		15,732.08	7,589.58
	Total liabilities		61,873.06	37,405.66
	Total equity and liabilities		97,484.91	72,339.77

Accompanying notes form integral part of the financial statements.

As per our report on standalone financial statements attached

For Karra & Co.,

Chartered Accountants

FR No: 001749S

K.Sathiya Narayanan

Partner

Membership No.: 210737

UDIN: 21210737AAAET4114

Place: Hyderabad

Date: 13th May 2021**K. SATHIYANARAYANAN**

Mem. No. 210737

Partner: KARRA & CO.

Chartered Accountants

"Anugraha"

28, Murray's Gate Road,

Alwarpet, Chennai - 600 018.

K. Sathiya Narayanan

For and on behalf of Bhagyanagar Gas Limited

*Sanjiv Gujral***Sanjiv Gujral**

Director - Commercial-cum-CFO

DIN No.: 07808552

*G. Malleswari***G. Malleswari**

Company Secretary

Membership No. F6574

*Rajeev Garg***Rajeev Garg**

Managing Director

DIN No.: 07674683

BHAGYANAGAR GAS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

₹ in Lacs

	Particulars	Note No.	UNAUDITED Quarter Ended			AUDITED Year Ended	
			31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
I	Revenue from operations	4	5,487.55	5,153.60	5,342.03	17,003.29	22,113.01
II	Other income	5	120.46	82.40	245.91	315.20	429.62
III	Total income		5,608.01	5,236.00	5,587.95	17,318.49	22,542.63
IV	Expenses						
	Cost of materials consumed	6	2,277.34	2,289.04	2,702.92	8,097.89	11,967.48
	Purchases of stock-in-trade	7	-	-	-	-	-
	Changes in inventories	8	(2.25)	(1.37)	(8.06)	(9.32)	(12.37)
	Excise duty		392.87	338.14	436.93	1,063.87	1,896.31
	Employee benefits expense	9	117.77	111.92	85.50	439.25	347.87
	Finance costs	10	286.62	256.10	154.87	1,032.62	438.79
	Depreciation	11	557.23	473.88	415.61	1,959.15	1,539.16
	Other expenses	12	1,054.76	885.31	985.85	3,438.90	3,650.39
	Total expenses		4,684.35	4,353.02	4,773.61	16,022.36	19,827.64
V	Profit before income tax		923.67	882.97	814.33	1,296.13	2,714.99
VI	Tax expense						
	Current tax		58.08	64.33	173.35	122.41	585.21
	Deferred tax		97.73	2.95	99.23	315.43	219.45
	Income tax expense	13	155.81	67.28	272.58	437.84	804.66
VII	Profit for the year		767.85	815.69	541.75	858.29	1,910.33
VIII	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Measurements of defined benefit liability (asset)	33	(2.33)	1.46	4.73	1.93	(0.77)
	Income tax relating to items that will not be reclassified to profit or loss		0.70	(0.43)	(1.38)	(0.54)	0.22
	Other Comprehensive Income for the year, net of income tax		(1.63)	1.04	3.35	1.39	(0.54)
IX	Total Comprehensive Income for the year		769.48	814.66	538.39	856.90	1,910.87
X	Earnings Per Share						
	(1) Basic		0.86	0.91	0.60	0.96	2.13
	(2) Diluted		0.83	0.88	0.58	0.93	2.06

Accompanying notes form integral part of the financial statements.

As per our report on standalone financial statements attached

For Karra & Co.,
Chartered Accountants
FR No: 001749S

K.Sathya Narayanan
Partner
Membership No.: 210737
UDIN: 21210737AAAAET4114

Place: Hyderabad
Date: 13th May 2021

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

K. Sathyan



For and on behalf of Bhagyanagar Gas Limited

Sanjiv Gujral
Director - Commercial-cum-CFO
DIN No.: 07808552



G. Malleswari
Company Secretary
Membership No. F6574

Rajeev Garg
Managing Director
DIN No.: 07674683





BHAGYANAGAR GAS LIMITED

STATEMENT OF CHANGES IN EQUITY AS ON 31st MARCH 2021

A. Equity share capital

₹ in Lacs

Particulars	Note	
Balance as at 1st April 2020		8,957.95
Changes in equity share capital during the period	24	
Balance as at 31st March 2021		8,957.95

B. Other equity

₹ in Lacs

Particulars	Reserves and surplus		Share Premium	Total other equity
	Share application pending allotment	Retained earnings		
Balance at 1st April 2019	431.97	6,927.02	16,929.40	24,288.38
Total comprehensive income for the year				
Profit for the year		1,910.33		1,910.33
Other Comprehensive Income for the year, net of income tax		0.54		0.54
Changes during the period towards issue of equity shares	(223.10)			(223.10)
Balance as at 31st March 2020	208.87	8,837.89	16,929.40	25,976.16
Balance at 1st April 2020	208.87	8,837.89	16,929.40	25,976.16
Total comprehensive income for the period				
Profit for the Period		858.29		858.29
Other Comprehensive Income for the Period, net of income tax		(1.39)		(1.39)
Changes during the period towards issue of equity shares	-			-
Dividend		(179.16)		(179.16)
Balance as at 31st March 2021	208.87	9,515.62	16,929.40	26,653.90

As per our report on standalone financial statements attached

For Karra & Co.,
Chartered Accountants
FR No: 001749S

K.Sathya Narayanan
Partner
Membership No.: 210737
UDIN: 21210737AAAET4114

Place: Hyderabad
Date: 13th May 2021

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

K. Sathya



For and on behalf of Bhagyanagar Gas Limited

Sanjiv
Sanjiv Gujral
Director - Commercial-cum-CFO
DIN No.: 07808552



G. Malleswari
G. Malleswari
Company Secretary
Membership No. F6574

Rajeev Garg
Rajeev Garg
Managing Director
DIN No.: 07674683

BHAGYANAGAR GAS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2021

₹ in Lacs

Particulars	31st March 2021	31st March 2020
Cash flow from operating activities		
Profit for the year	856.90	1,910.87
Adjustments for		
Depreciation of property, plant and equipment	1,959.15	1,539.16
Gain on sale of property, plant and equipment	-	-
Current year provision related to post-employment defined benefit plans	18.45	15.35
Current year provision related to compensated absences	12.43	(8.01)
Amortisation of processing fee relating to term loans	-	-
Net foreign exchange differences	(2.45)	19.22
Finance income	(92.91)	(92.29)
Finance costs	2,869.93	1,616.47
	5,621.50	5,000.78
Working capital adjustments		
Decrease / (increase) in inventories	25.01	(16.60)
Increase in trade receivables	(1,179.13)	(81.35)
Decrease / (increase) in other financial assets- non current	(328.97)	(471.65)
(Increase) / decrease in other financial assets- current	(7.19)	30.78
(Increase) / decrease in other current assets	(70.68)	720.31
Decrease in proceeds from other non-current assets	117.79	231.93
(Increase) / decrease in other bank balances	(5.07)	37.54
Increase in trade payables	(61.46)	(68.74)
Increase in other financial liabilities- current	2,122.49	1,141.76
Increase other current liabilities	1,081.61	1,242.00
Increase in other non-current liabilities	2.45	(19.22)
(Decrease)/ increase in provisions- non current	10.02	64.10
Decrease in provisions- current	(31.02)	(9.70)
	1,675.84	2,801.17
Income tax paid	107.80	158.16
Net cash flows from operating activities	7,405.15	7,960.10
Cash flow from investing activities		
Payment for property, plant and equipment	(15,398.74)	(11,953.70)
Proceeds from capital work-in-progress	(10,191.05)	(8,016.18)
Interest received	92.91	92.29
Net cash flows from investing activities	(25,496.88)	(19,877.60)
Cash flow from financing activities		
Increase in share capital	-	(0.00)
Increase / (decrease) in borrowings	21,000.00	13,500.00
Finance charges paid	(2,869.93)	(1,616.47)
Dividend Declared	(179.16)	-
Net cash flows from financing activities	17,950.91	11,883.53
Net increase / (decrease) in cash and cash equivalents	(140.82)	(33.96)
Cash and cash equivalents at the beginning of the year	1,560.32	1,594.28
Cash and cash equivalents at the end of the year	1,419.50	1,560.32

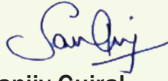
As per our report on standalone financial statements attached

For Karra & Co.,Chartered Accountants
FR No: 001749S**K.Sathya Narayanan**
PartnerMembership No.: 210737
UDIN: 21210737AAAET4114Place: Hyderabad
Date: 13th May 2021K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.


K. Sathyan



For and on behalf of Bhagyanagar Gas Limited


Sanjiv Gujral
 Director - Commercial-cum-CFO
 DIN No.: 07808552


G. Malleswari
 Company Secretary
 Membership No. F6574


Rajeev Garg
 Managing Director
 DIN No.: 07674683



BHAGYANAGAR GAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021.

1. Reporting Entity

Bhagyanagar Gas Limited (the “Company”) is a company domiciled in India with registered office, in Hyderabad, Telangana.

BGL was promoted as a joint venture company between Hindustan Petroleum Corporation Limited (‘HPCL’), and GAIL (India) Limited (‘GAIL’) to carry on all or any business of storage, supply, sale, distribution and marketing of CNG and Auto LPG as fuels for vehicles, Piped Natural Gas for domestic/commercial/industrial purposes in the states of Telangana and Andhra Pradesh (erstwhile State of Andhra Pradesh).

2. Basis of preparation of financial statements

(a) Statement of compliance

- i) These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and Amendments thereof and other relevant provisions of the Act.
- ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- iii) The financial statements were authorised for issue by the Board of Directors on 13th May 2021.

(b) Functional and presentation currency

- i) These financial statements are presented in INR, which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest lakhs.

(c) Use of estimates and judgements

- i) The preparation of the financial statements in conformity with Ind ASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
- ii) Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.
- iii) Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the notes: Note 33 – Measurement of defined benefit obligations.
- iv) Impact of Covid-19- Estimation of uncertainties relating to the global health pandemic from COVID-19: The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Fixed Assets, Inventories, receivables and other Current 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 sources of information including credit reports and related information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements.

3. Significant accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS balance sheet as at 1st April 2015 for the purposes of the transition to Ind ASs, unless otherwise indicated.



(a) Inventories

- i) Inventories are measured at the lower of cost and net realisable value.
- ii) The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.
- iii) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.
- iv) With regard to stores and spares, provision towards impairment of non-moving stores and spares is considered based on ageing of the items by applying a percentage loss in P&L (2 to 32%).

(b) Income Tax

- i) Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of profit and loss except relating to items recognised directly in equity or in other comprehensive income.
- ii) Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
- iii) Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
- iv) Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.
- v) Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.
- vi) A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Property, Plant and Equipment

- **Recognition and measurement**

- i) Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The Company has elected to apply the optional exemption to use this previous GAAP value as deemed cost at 1 April 2015, the date of transition.
- ii) Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and borrowing costs on qualifying assets.
- iii) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as assets are substantially ready for the intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss. Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are recognised as borrowing costs. All other borrowing costs are recognised as expenses in the period in which it is incurred.





- iv) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
- v) Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.
- vi) Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in the statement of profit and loss.
- vii) The capital work in progress includes material in transit / value of materials / equipment etc. received at site for use in the projects.
- viii) The related expenditure incurred during the year, which is attributable to acquisition / construction of fixed assets/projects, is capitalized at the time of commissioning of such assets.

- **Subsequent Costs**

- i) The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Depreciation**

- i) Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.
- ii) Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.
- iii) The estimated useful lives for the current and comparative periods are determined with reference to Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate

(e) **Revenue**

- **Goods Sold**

- i) Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has applied as they are effective for annual periods beginning on or after April 1, 2018: Ind AS 115 Revenue from Contracts with Customers
- ii) Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 – Revenue, Ind AS 11 – Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e., when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.



- iii) Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.
- iv) Under Ind AS 18, revenue is recognised when risk and rewards of the underlying goods or services is transferred to the customer. Under Ind AS 115, revenue is recognised when control of the underlying goods or services is transferred to the customer. For the Company, the timing of the transfers of risks and rewards varies depending on the individual terms of the contract of sale, which generally coincides with the delivery of goods to the customers which result in transfer of control.
- **Others**
 - i) Insurance claims are accounted for on the basis of claims admitted/settled by the insurers.
- (f) **Employee Benefits**
 - **Defined contribution plans**
 - i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value
 - **Defined Benefit Plans**
 - i) A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method.
 - ii) To the extent that the benefits vest immediately, the expense is recognised immediately in the statement of profit and loss. The Company recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income.
 - **Other long-term employee benefits**
 - i) The Company's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds, in the absence of deep market for high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains/ losses are recognised in the statement of profit and loss in the period in which they arise.
 - **Short term employee benefits**
 - i) Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.
- (g) **Foreign currency**
 - i) Transactions in foreign currencies are translated to functional currencies of Company at exchange rates at the dates of the transactions.





- ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.
- iii) Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.
- iv) Foreign currency differences arising on retranslation are recognised in the statement of profit and loss.
- v) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction

(h) Provisions and contingent liabilities

- i) A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Further details of contingent liabilities are set out in Note 38.

(i) Impairment

- Financial assets (including receivables)
 - i) A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.
 - ii) Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.
 - iii) In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for trade receivables
 - iv) The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables
 - v) ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss.

• **Non-Financial Assets**

- i) The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated each year at the same time.
- ii) The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").
- iii) The Company's corporate assets do not generate separate cash inflows. If there is an indication that a



corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

- iv) An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.
- v) An impairment loss in respect of assets, impairment losses recognised in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Financial Instruments

• **Financial Assets**

- i) The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised at fair value initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.
- ii) Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the statement of profit and loss.
- iii) The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.
- iv) They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
- v) The Company's financial assets include security deposits, cash and cash equivalents, trade receivables and eligible current and non-current assets. Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

• **Financial Liabilities**

- i) The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.
- ii) Classification as debt or equity:
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

• **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.





- iii) The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.
- iv) Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.
- v) The Company has the following financial liabilities:
Loans and borrowings and trade and other payables: Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

(k) Share Capital

- i) Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(l) Finance Income and Finance Costs

- i) Finance income comprises interest income on funds invested, dividend income. Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.
- ii) Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

(m) Earnings per share

- i) The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.
- ii) Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.
- iii) Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise of shares to be issued to APIIC as a consideration for land given to the Company.

(n) Non-Current Assets Held for Sale

- i) Non-current assets comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on initial classification as held for sale and subsequent gains or losses on re measurement are recognised in the statement of profit and loss. Gains are not recognised in excess of any cumulative impairment loss.

(o) Cash Flow Statement

The Company's financial assets include security deposits, cash and cash equivalents, trade receivables and eligible current and non-current assets. Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Cash and cash equivalents: The cash and cash equivalents are held with public sector banks and leading private sector Bank.

As per Ind-AS-7, An entity shall report cash flows from operating activities using either:

- (a) the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed; or
- (b) the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.



In the preparation of Cash Flow Statement, Indirect Method for working out the cash flows from operating activities is being followed.

(p) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

(q) Ind AS 116 Leases:

The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company has opted modified retrospective approach for accounting of leases during transition phase. The Company has elected certain available practical expedients on transition.

This standard sets out the principles for recognition, measurement, presentation and disclosure of leases. Ind AS 116 requires lessee to recognize asset and liabilities for all the leases and correspondingly recognizes depreciation and interest cost instead of rent expenses as hitherto done under erstwhile standard on leases. (Refer Note 37).

(r) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.



**NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2021****4. Revenue from operations (including excise duty)**

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Sale of CNG	3,162.01	2,696.84	3,496.19	8,479.31	15,198.68
Sale of PNG	2,325.55	2,456.76	1,845.84	8,523.98	6,914.32
Total	5,487.55	5,153.60	5,342.03	17,003.29	22,113.01

5. Other income

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Interest on fixed deposits	23.27	20.85	31.36	89.65	90.83
Interest - others	1.52	0.85	2.13	3.26	1.45
Interest on income tax refund	-	-	-	-	-
Miscellaneous income	43.93	12.78	2.94	73.69	23.45
Service Income from Compression of NG to CNG	51.74	47.91	44.12	148.60	148.52
Creditors Writtenoff	-	-	165.37	-	165.37
Total	120.46	82.40	245.91	315.20	429.62

6. Cost of materials consumed

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Opening stock (natural gas)	20.32	27.04	27.35	31.22	33.60
Add: Purchases*	2,058.09	2,076.40	2,462.90	7,227.43	10,959.41
Add: Product transshipment charges	218.75	205.91	243.90	859.05	1,005.69
	2,276.83	2,309.36	2,734.14	8,117.70	11,998.70
Less: Closing stock (natural gas)	(19.81)	(20.32)	(31.22)	(19.81)	(31.22)
Total	2,277.34	2,289.04	2,702.92	8,097.89	11,967.48

Note: Includes gas transportation, CST@ 2%, positive and negative imbalances charges.

8. Changes in inventories

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Opening stock	34.51	33.14	19.38	27.45	15.08
Closing stock	(36.76)	(34.51)	(27.45)	(36.76)	(27.45)
Total	(2.25)	(1.37)	(8.06)	(9.32)	(12.37)



9. Employee benefits expense

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Salary, wages and bonus	98.50	85.41	65.34	359.31	305.47
Contribution to provident fund	4.89	4.96	8.10	19.22	16.32
Expenses related to post-employment defined benefit plans	4.91	5.36	7.30	18.45	15.35
Expenses related to compensated absences	2.11	3.87	5.02	12.43	-8.01
Staff welfare expenses	7.35	12.32	-0.25	29.83	18.75
Total	117.77	111.92	85.50	439.25	347.87

10. Finance costs

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Interest on borrowings					
- Banks	805.18	788.19	479.07	2,869.93	1,616.47
- Others	-	-	-	-	-
- Prepayment charges on term loan	-	-	-	-	-
Interest expense on financial liabilities (amortised)	-	-	-	-	-
	805.18	788.19	479.07	2,869.93	1,616.47
Interest apportioned to fixed assets and capital work-in-progress	(518.56)	(532.08)	(324.15)	(1,837.39)	(1,178.24)
Interest on Income Tax	-	-	-	-	-
Lease Finance Charges	-	-	(0.04)	0.08	0.57
Total	286.62	256.10	154.87	1,032.62	438.79

11. Depreciation

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Depreciation on property, plant and equipment	557.23	473.88	412.97	1,956.11	1,533.07
Amortisation of ROU Leased Asset	-	-	2.63	3.05	6.09
Total	557.23	473.88	415.61	1,959.15	1,539.16





12. Other expenses

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
Advertisement	4.78	0.98	12.72	9.35	35.05
Business promotion	6.26	0.97	16.21	10.22	32.93
Vehicle hire and running expenses	18.65	17.93	21.44	74.13	72.86
Power & fuel	117.55	105.63	115.16	363.36	486.04
Insurance	23.20	8.25	7.32	45.45	24.29
Technical assistances services	189.45	190.44	170.12	732.47	639.21
Postage & courier	1.11	0.87	0.73	2.71	2.71
Printing & stationery	3.86	7.39	2.78	15.73	12.74
Rent, rates & taxes	14.52	31.26	48.71	143.08	166.28
Repairs & maintenance - buildings	0.24	0.35	2.94	0.70	5.12
Repairs & maintenance - others	8.30	11.33	5.19	38.41	17.95
Repairs & maintenance - plant & machinery	326.55	253.96	281.20	1,122.65	1,198.41
Security services	32.42	34.45	25.57	125.93	114.64
Telephone charges	5.85	6.04	6.56	20.81	19.60
Travelling expenses	9.56	7.83	17.24	24.22	49.85
Professional charges	10.19	6.92	21.27	21.39	36.39
Training cum conference	3.83	0.45	0.44	4.87	3.81
Audit fees (refer note 12(a) below)	4.01	0.59	4.60	5.78	6.37
Bank charges	9.47	11.26	-3.12	35.91	28.52
Foreign exchange fluctuation	0.17	-0.61	13.47	-2.45	19.22
Hook-up charges PIL - Hyderabad	58.76	58.76	65.08	235.03	260.31
Railway way leave charges	9.65	9.65	9.54	38.61	38.15
NHAI way leave charges	-	-	-	-	-
Corporate social responsibility expenses (refer note 12(b) below)	47.43	-	24.88	47.43	24.88
General expenses	19.55	1.85	3.53	22.64	9.43
Directors fees	1.36	-	0.71	4.37	2.97
PNG DMA Service charges	79.85	112.15	100.19	227.86	296.75
Office Maintenance Expenses	10.18	10.02	11.26	30.62	44.47
Impairment loss on Inventory	28.56	-	-	28.56	-
Provision for Bad and doubtful debts	9.44	-3.41	0.12	9.08	1.45
Total	1,054.76	885.31	985.85	3,438.90	3,650.39

12 (a) Audit fees

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
As auditor	-	-	-	-	-
Statutory audit	1.50	0.50	1.50	3.00	3.00
Tax audit	0.40	-	0.40	0.40	0.40
Other Services	1.50	-	2.00	1.50	2.00
Taxes	0.61	0.09	0.70	0.88	0.97
Total	4.01	0.59	4.60	5.78	6.37



12 (b) Corporate social responsibility

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
(a) Amount required to be spent by the company during the year	47.43	47.43	41.57	47.43	41.57
(b) Amount spent during the year (in cash)	-				
(i) Construction/ acquisition of any asset	-				
(ii) On purposes other than (i) above	11.30	-	24.88	11.30	24.88
(c) Amount unspent Provided	36.13			36.13	
Total	47.43	-	24.88	47.43	24.88

Note: 47.43 Lacs is 2 % of Average Net Profit (PBT) of the last three immediately preceeding financial years

13. Income tax expense

₹ in Lacs

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
A. Amounts recognised in profit and loss	-	-			
Current tax	-	-			
Current period (a)	164.50	64.33	585.21	228.84	585.21
Adjustments in respect of current income tax of previous year (b)	-106.42	-	-	-106.42	-
	-	-			
Deferred tax	-	-			
Attributable to	-	-			
Relating to origination and reversal of temporary differences (c)	97.73	2.95	219.45	315.43	219.45
Income tax expense (a+b+c)	155.81	67.28	804.66	437.84	804.66

Particulars	Quarter Ended			Year Ended	
	31st March 2021	31st December 2020	31st March 2020	31st March 2021	31st March 2020
B. Income tax recognised in other comprehensive income	-				
Net loss/ (gain) on re-measurement of defined benefit plans	0.70	-1.61	0.22	-0.54	0.22
Income tax charges to other comprehensive income	0.70	-1.61	0.22	-0.54	0.22

Particulars	Year Ended	
	31st March 2021	31st March 2020
C. Reconciliation of effective tax rate		
Profit before tax	1,294.19	2,715.76
Effective tax rate	17.47%	17.47%
Computed effective tax expense (MAT)	226.12	585.21
Effect of Ind AS adjustments	2.71	
Effect of tax deductible expense		-
Effect of interest for short and deferment of advance tax		
Changes in estimates related to prior periods	-106.42	-
Movement in deferred tax liability (including MAT credit entitlements)	314.88	219.67
Income tax expense charged to SoPL and OCI	437.30	804.89
Income tax expense charged to SoPL and OCI	33.79%	29.64%





14. Property, plant and equipment

A. Reconciliation of carrying amount

₹ in Lacs

	Particulars	Freehold land	Factory building	Buildings	Roads and culverts	Plant and machinery	Electrical equipment	Furniture and fixtures	Office equipment	Computers	Total (A)	Capital work-in-progress (B)	Total (A+B)
1.	Cost or deemed cost (gross carrying amount)												
	Balance at 1st April 2019	642.29	793.44	196.38	17.19	34,355.99	425.01	118.22	27.23	61.33	36,637.08	15,389.31	52,026.39
	Additions	-	-	-	-	11,823.51	95.66	5.71	17.14	5.59	11,947.61	19,963.80	31,911.41
	Disposals / Capitalised										-	(11,947.61)	(11,947.61)
	Balance at 31 March 2020	642.29	793.44	196.38	17.19	46,179.50	520.67	123.93	44.37	66.92	48,584.69	23,405.49	71,990.18
	Balance at 1st April 2020	642.29	793.44	196.38	17.19	46,179.50	520.67	123.93	44.37	66.92	48,584.69	23,405.49	71,990.18
	Additions	-	-	-	-	15,340.72	35.55	6.15	13.92	18.17	15,414.51	25,605.55	41,020.06
	Disposals / Capitalised	-	(1.92)	(28.84)	-	-	-	-	-	-	(30.77)	(15,414.51)	(15,445.27)
	Balance at 31 March 2021	642.29	791.52	167.54	17.19	61,520.22	556.21	130.08	58.29	85.09	63,968.43	33,596.54	97,564.97
2.	Accumulated depreciation												
	Balance at 1 April 2019	-	120.93	13.93	13.27	3,370.05	184.55	28.18	14.08	10.72	3,755.72	-	3,755.72
	Depreciation for the year	-	30.23	5.37	0.24	1,399.09	54.82	13.91	8.22	21.19	1,533.07	-	1,533.07
	Disposals										-		
	Balance at 31 March 2020	-	151.16	19.30	13.51	4,769.14	239.36	42.09	22.30	31.92	5,288.79	-	5,288.79
	Balance at 1 April 2020	-	151.16	19.30	13.51	4,769.14	239.36	42.09	22.30	31.92	5,288.79	-	5,288.79
	Depreciation for the Quarter	-	30.23	5.37	0.24	1,809.11	61.58	13.94	10.18	25.46	1,956.11	-	1,956.11
	Disposals	-	(0.71)	(11.25)	-	-	-	-	-	-	(11.96)	-	(11.96)
	Balance at 31 March 2021	-	180.69	13.41	13.75	6,578.25	300.95	56.03	32.49	57.37	7,232.94	-	7,232.94
3.	Carrying amounts (net)												
	At 31 March 2020	642.29	642.28	177.09	3.68	41,410.36	281.30	81.84	22.07	35.01	43,295.90	23,405.49	66,701.39
	At 31 March 2021	642.29	610.83	154.13	3.44	54,941.97	255.26	74.05	25.80	27.72	56,735.49	33,596.54	90,332.03

B. Capital work-in-progress

- The capital work in progress includes payments made to contractors for execution of projects, material in transit / value of materials / equipment / etc. received at site for use in the projects. Besides, it also includes borrowing cost allocated to qualifying assets/ projects.

C. Security

- The charge has been created in favour of ICICI Bank towards term loans granted.

D. Sale deed in respect of the following land has not yet been executed

- Land at mother station, Shamirpet, Hyderabad admeasuring 2.18 acres allotted by APIIC INR 218 lakhs.
- Land at Medchal Village, R.R. Dist, Hyderabad admeasuring 180 Sq. Mtrs allotted by APIIC INR 10.80 lakhs.
- Land at mother Station, Sarpavaram, Vaklapudi, Kakinada admeasuring 1.50 acres allotted by APIIC INR 145.68 lakhs.

E. Physical Verification of Assets

- The Physical Verification of the Assets is being carried out every year so as to complete the verification process of the entire assets within a period of 2 years to ensure that the assets are secured and properly maintained from time to time.
- The Physical Verification of assets has been conducted for the financial year FY2021.
- The Company is having complete control over the entire fixed assets and the fixed assets are continuously being used for distribution of Gas.

F. Details of Other Lands Owned

- Land at Pudur, Medchal, RR District admeasuring (Ac.4.23.31 Guntas) INR 248.66 Lakhs.
- Land at Gosaiguda, Medchal Mandal, RR District admeasuring 225 Sq. mtrs INR 19.15 Lakhs.

15. Other financial assets

Particulars	As at	
	31st March 2021	31st March 2020
PIL-Security deposit	11.10	14.10
Electricity deposits	37.14	36.06
Others	82.97	47.67
Deposits with banks maturity beyond 12 months *	1,750.11	1,454.53
Total	1,881.33	1,552.36

PIL: Pipeline Infrastructure Limited

*Deposits with banks maturity beyond 12 months-This includes Debt Service Reserve Deposit of Rs. 7.22 Crores with ICICI Bank, Rs. 10.92 Lacs with SBI and also Rs. 10.17 Crores with Canara Bank towards BG Security

16. Other tax assets (Net)

Particulars	As at	
	31st March 2021	31st March 2020
Advance income tax	1,893.63	1,578.85
TDS	56.02	45.19
TCS	3.89	-
Less: Provision for taxation	(1,648.12)	(1,525.71)
Total	305.41	98.33

17. Other non-current assets

Particulars	As at	
	31st March 2021	31st March 2020
PIL hook-up charges	35.39	270.42
Railway way leave charges	46.44	85.05
Leased land with APIIC	52.61	54.96
ROU Assets net of Amortisation	47.21	68.87
Term Loan Prepaid Processing charges	179.85	-
Total	361.51	479.30

APIIC: Andhra Pradesh Industrial Investment Corporation

PIL: Pipeline Infrastructure Limited

18. Inventories

Particulars	As at	
	31st March 2021	31st March 2020
Raw material (natural gas in pipeline)	19.81	31.22
Finished goods	36.76	27.45
Stores and spares* (net of provision)	144.06	166.99
Total	200.64	225.65

Note: Inventories are valued at Cost or NRV which ever is lower.

*Provision towards impairment of non-moving stores & spares is considered based on ageing of the items by applying percentage loss in P&L (2 to 32%).



**19. Trade receivables**

Particulars	As at	
	31st March 2021	31st March 2020
(a) Trade Receivables considered good - Secured	2,087.23	1,011.08
(b) Trade Receivables considered good - Unsecured	448.03	345.04
(c) Trade Receivables which have significant increase in Credit Risk	105.35	96.27
(d) Trade Receivables - credit impaired		
Less: Provision for Bad and Doubtful Debts	105.35	96.27
Total	2,535.25	1,356.12

Note: Provision is made as per ECL model for dues as mentioned below:

Upto 3 Years	-	-
Above 3 Years	100%	100%

20. Cash and cash equivalents

Particulars	As at	
	31st March 2021	31st March 2020
(i) Bank balances		
Current accounts	1,414.30	1,557.49
Deposits with maturity less than 3 months		
(ii) Cheques, drafts on hand	-	-
(iii) Cash on hand	5.20	2.83
Total	1,419.50	1,560.32

21. Other bank balances

Particulars	As at	
	31st March 2021	31st March 2020
Deposits with banks with maturity beyond 3 months but less than 12 months*	170.25	165.19
Total	170.25	165.19

*FDs with maturity more than 3 months and less than 12 months held as margin money against the Guarantees and LC's issued by the company.

22. Other financial assets

Particulars	As at	
	31st March 2021	31st March 2020
Interest accrued on deposits	20.23	13.05
Total	20.23	13.05

23. Other current assets

Particulars	As at	
	31st March 2021	31st March 2020
(A) Advance other than capital advances		
(a) Advances to suppliers	7.35	4.95
(b) Pre-paid expenses	101.01	55.25
(c) Other advances	0.29	0.29
(d) Term Loan Prepaid Processing Charges	17.45	-
(B) Others		
(a) VAT, CENVAT, GST and others	129.20	127.58
(b) TCS ON Purchases-Other Than NG	3.46	-
Total	258.75	188.07



24. Equity share capital

Particulars	As at	
	31st March 2021	31st March 2020
(i) Authorised capital		
100,000,000 Equity shares of INR 10/- each	10,000.00	10,000.00
Previous year 100,000,000 Equity shares of INR 10/- each		
(ii) Issued capital		
9,23,48,500 Equity shares of INR 10/- each	9,234.85	9,234.85
Previous year 9,23,48,500 Equity shares of INR 10/- each		
(iii) Subscribed and paid up		
8,95,79,461 Equity shares of INR 10/- each	8,957.95	8,957.95
Previous year 8,73,48,500 Equity shares of INR 10/- each		

(iv) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Number of shares in lakhs

Particulars	As at	
	31st March 2021	31st March 2020
Shares outstanding at the beginning of the year	895.79	873.49
Add: Issued and allotted during the year	-	22.31
Shares outstanding at the end of the year	895.79	895.79

(v) Rights, preferences and restrictions attached to the equity shares:

(a) The Company has only one class of equity shares having par value of INR 10 each. Each shareholder is eligible for one vote per share held.

(b) 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 equity shareholders.

(c) Apart from the rights, restrictions and preferences prescribed by the Companies Act, 2013 and the Articles of Association of the company, the Shareholders' agreement also elaborately deal with the above. In brief the above referred documents provide for restrictions:

- On transfer of shares to outsiders
- On transfer of shares to the existing shareholders
- For issue of fresh equity or transfer of shares to outsiders
- Restriction on voting rights
- Appointment of directors, etc.

(vi) The details of shareholders holding more than 5% shares in the Company:

Particulars	As at	
	31st March 2021	31st March 2020
(a) Equity Shares		
GAIL (India) Limited :		
Number of equity shares in lakhs	436.50	436.50
% of holding	48.73%	48.73%
Hindustan Petroleum Corporation Limited		
Number of equity shares in lakhs	436.50	436.50
% of holding	48.73%	48.73%

(vii) At the 11th Annual General Meeting of the company held on August 20, 2014, consent of the Company was accorded to the Board to create, offer, issue and allot, from time to time, one or more tranches, up to an aggregate of 5 crores equity shares of face value of INR 10 each at a price of INR 10 per equity share aggregating to INR 50 crore on a preferential basis. Accordingly 2,24,87,500 shares each were issued and allotted to GAIL and HPCL. Allotment of shares to APIIC is pending for transfer of title to the parcels of land allotted by them to the company. Aggrieved by the above decision of the Company, Kakinada Seaports Ltd., one of the shareholders approached the Company Law Board (CLB), Chennai Bench, seeking various reliefs including stay of the aforesaid issue and allotment of shares which was dismissed by CLB the same on 14th September 2014 in favour of the company. Against this dismissal order, the aggrieved shareholder has filed an appeal in the High Court of Judicature in Hyderabad and also an application, inter alia, seeking stay of allotment of said shares. The High Court has admitted the Appeal, it has not granted any stay against the order of the CLB. The matter is sub-judice.





(viii) At the 88th Board Meeting of the company held on 4th December 2017, pursuant to the provisions of Section 62(1)(a) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the consent of the Board of Directors is given for issue of 4,23,23,500 equity shares at Rs.50/- per share of an aggregate value of Rs. 211,61,75,000/- on rights basis to the existing members of the company in proportion to their current shareholding as on 25th November 2017. Consequently during January 2018, the rights issue of equity shares has been completed.

25. Share based payments

Particulars	As at	
	31st March 2021	31st March 2020
Share application money (Other than cash consideration)	208.87	208.87
Share Premium	16,929.40	16,929.40

(Equity Settled share based payment arrangements)

As per GO 234 dated 30th Oct 2009, APIIC would be contributing 5% of the equity in the form of cash or land. For this purpose, at the 16th Annual General Meeting of the company held on September 26th, 2019, consent of the shareholders was once again given to the Board to create, offer, issue and allot, from time to time, equity shares on a preferential basis to APIIC and/or its successor in terms of the A.P. Reorganisation Act, 2014. The company has reserved 50,00,000 shares of INR 10/- to be allotted to APIIC and/or its successor in the year 2014. In anticipation, APIIC has already allotted land at three places in the GAS of Hyderabad (Telangana), Vijayawada (Andhra Pradesh) and Kakinada (Andhra Pradesh) and the company has taken possession. The total consideration of land allotted from APIIC is INR 4,51,96,880. The Company has paid INR 20,00,000 upfront. Pending of procedural formalities of documentation and the bifurcation of assets and liabilities between Telangana and Andhra Pradesh state in terms of A.P. Reorganisation Act, 2014, the balance amount of INR 4,31,96,880 has been shown as Share Application (Other than Cash Consideration). The said amount would be adjusted against the subscription for shares. Out of this company had allotted 22,30,961 equity shares @ Rs 10 Per Share to APIIC on 5th December 2019.

26. Borrowings

Particulars	As at	
	31st March 2021	31st March 2020
A. Non-current borrowings		
Term loans from banks (secured)	44,000.00	28,000.00
Total Non Current borrowings	44,000.00	28,000.00
B. Current borrowings		
Term loans from banks (secured)*	2,500.00	-
Working Capital Loan (secured) from ICICI Bank	2,500.00	-
Sub total	5,000.00	-
Amount included under other financial liabilities	-	-
Total Current borrowings	5,000.00	-

* current portion of long term borrowings

C. Terms and repayment schedule

Particulars	As at	
	31st March 2021	31st March 2020
Terms and conditions of outstanding borrowings are as follows:		
1. Secured bank loan in INR		
ICICI BANK (Term Loan)	46,500.00	28,000.00
Total borrowings	46,500.00	28,000.00

2. Term loan of Rs. 400 Crores had been sanctioned by ICICI Bank and BGL utilised the amount by 31 December 2020 towards project expansion. The initial Door-to-Door tenor of the facility shall be 12 years comprising of construction period of 2 years, Moratorium period of 2 years and repayment period of 8 years.

Further during Q4 FY2021, BGL obtained additional term loan of Rs 250 Crores from ICICI Bank for project execution and around Rs 65 Crores has been drawn by 31st March 2021. Initial Door-to-Door tenor of the facility shall be 13 years and 4 months comprising of construction period of 2 years 4 months, Moratorium period of 2 years and repayment period of 9 years.

The rate of interest for each drawal of the facility will be stipulated by ICICI Bank at the time of disbursement of each drawal, which shall be sum of I-MCLR-1Y+""Spread"" per annum, subject to minimum of I-MCLR-1Y, plus applicable statutory levy, if any and Spread is Nil.

Working capital loan in the form of Line of Credit for short term loans has been availed for Rs. 25 Crores out of total working capital limits of Rs. 65 Crores. The maximum tenor of each tranche is 180 days. Interest : The rate of interest for each drawal of the facility will be stipulated by the Bank at the time of disbursement of each drawal which shall be sum of I-MCLR (or) Repo Rate + Spread per annum plus, applicable statutory levy, if any and spread is NIL.

Security for bank loans The Rupee Term Loan facility and all amounts in respect thereof from ICICI Bank shall be secured by:

- a) first pari-passu charge on the fixed assets (movable and immovable) and current assets of the company, both present and future
- b) First pari-passu charge on the Trust and Retention Accounts.
- c) First pari-passu charge on the intangible assets including Goodwill.

27. Provisions

Particulars	As at	
	31st March 2021	31st March 2020
(a) Provision related to post-employment defined benefit plans	63.35	44.49
(b) Provision related to compensated absences	23.67	14.19
(c) Lease Liabilities	35.46	53.78
Total	122.49	112.47

28. Deferred tax liabilities (Net)

Particulars	As at	
	31st March 2021	31st March 2020
(i) Deferred tax assets		
Indexation of freehold land	-	64.23
Provision related to post-employment defined benefit plans	17.84	12.97
Provision related to compensated absences	7.41	4.59
Un absorbed depreciation	-	-
Unused Tax Credits	2,684.70	2,563.65
Others	29.63	33.49
Sub total (A)	2,739.57	2,678.94
(ii) Deferred tax liabilities		
Tangible assets	4,758.07	4,382.56
Others	-	-
Sub total (B)	4,758.07	4,382.56
(iii) Deferred tax liabilities (Net) B-A	2,018.50	1,703.61

29. Trade payables

Particulars	As at	
	31st March 2021	31st March 2020
Trade payables to related parties	425.02	345.34
Other trade payables		
(A) Micro enterprises and small enterprises	89.56	243.10
(B) Creditors other than micro enterprises and small enterprises.	388.20	375.80
Total	902.78	964.24



**30. Other financial liabilities**

Particulars	As at	
	31st March 2021	31st March 2020
(i) Current maturities of long-term debt		
(a) Term loans from banks, secured	-	-
(ii) Others -		
(a) Retention money	66.88	52.96
(b) EMD / security deposits	739.82	547.98
(c) Creditors for capital goods		
(A) Micro enterprises and small enterprises	1,054.20	737.65
(B) Creditors other than micro enterprises and small enterprises.	4,001.17	2,791.74
(d) PNG customer deposits	1,223.51	832.76
Total	7,085.58	4,963.10

31. Other current liabilities

Particulars	As at	
	31st March 2021	31st March 2020
Statutory liabilities	403.73	234.66
Accruals	2,312.61	1,394.22
Other liabilities	6.30	12.15
Total	2,722.64	1,641.03

32. Provisions

Particulars	As at	
	31st March 2021	31st March 2020
(a) Provision related to post-employment defined benefit plans	0.09	0.06
(b) Provision related to compensated absences	2.67	1.58
(c) Lease Liabilities	18.32	19.58
Total	21.08	21.22

33. Assets and Liabilities relating to employee benefits

Particulars	As at	
	31st March 2021	31st March 2020
A. Gratuity		
1. Changes in Present Value of Obligations (PVO)		
PVO at beginning of period	44.55	41.81
Interest cost	2.97	2.75
Current service cost	15.49	12.60
Past Service Cost-(non vested benefits)		
Past Service Cost-(vested benefits)		
Benefits paid	(1.50)	(11.84)
Actuarial (gain)/loss on obligation	1.93	(0.77)
PVO at end of period	63.45	44.55

Particulars	As at	
	31st March 2021	31st March 2020
2. Interest expenses		
Interest cost	2.97	2.75
3. Fair value of plan assets		
Fair value of plan assets at the beginning		
Interest income		
4. Net liability		
PVO at beginning of period	44.55	41.81
Fair value of the assets at beginning report		
Net liability	44.55	41.81
5. Net interest		
Interest expenses	2.97	2.75
Interest income		
Net interest	2.97	2.75
6. Actual return on plan assets		
Less Interest income included above		
Return on plan assets excluding interest income		
7. Actuarial (gain)/loss on obligation		
Due to demographic assumption		
Due to financial assumption	-1.53	7.18
Due to experience	3.47	(7.94)
Total actuarial (gain)/loss	1.93	(0.77)
8. Fair value of plan assets		
Opening fair value of plan asset		
Adjustment to opening fair value of plan asset		
Return on plan assets excl. interest income		
Interest income		
Contributions by employer		
Contributions by employee		
Benefits paid		
Fair value of plan assets at end		
9. Past service cost recognised		
Past service cost- (non vested benefits)		
Past service cost -(vested benefits)		
Average remaining future service till vesting of the benefit		
Recognised past service cost- non vested benefits		
Recognised past service cost- vested benefits		
Unrecognised past service cost- non vested benefits		
10. Amounts to be recognized in the balance sheet and statement of Profit & loss account		
PVO at end of period	63.45	44.55
Fair value of plan assets at end of period		
Funded status	(63.45)	(44.55)
Net asset/(liability) recognized in the balance sheet	(63.45)	(44.55)





Particulars	As at	
	31st March 2021	31st March 2020
11. Expense recognized in the statement of profit & loss account		
Current service cost	15.49	12.60
Net interest	2.97	2.75
Past service cost- (non vested benefits)		
Past service cost -(vested benefits)		
Curtailment effect		
Settlement effect		
Expense recognized in the statement of profit & loss account	18.45	15.35
12. Other Comprehensive Income (OCI)		
Actuarial (gain)/loss recognized for the period	1.93	(0.77)
Asset limit effect		
Return on plan assets excluding net interest		
Unrecognized actuarial (gain)/loss from previous period		
Total actuarial (gain)/loss recognized in (OCI)	1.93	(0.77)
13. Movements in the liability recognized in balance Sheet		
Opening net liability	44.55	41.81
Adjustment to opening balance		
Expenses as above	18.45	15.35
Contribution paid		
Other comprehensive income	1.93	(0.77)
Closing net liability	63.45	44.55
14. Schedule III of The Companies Act 2013		
Current liability	0.09	0.06
Non-current liability	63.35	44.49
	-	-
	Target Allocation	Target Allocation
	%	%
16. Asset Information		
Cash and cash equivalents		
Gratuity fund (LIC)		
Debt security - government bond		
Equity securities - corporate debt securities		
Other insurance contracts		
Property		
Total itemized assets		
17. Assumptions as at reporting date	31-Mar-21	31-Mar-20
Mortality		
Interest / discount rate	6.89%	6.77%
Rate of increase in compensation	10.00%	10.00%
Annual increase in healthcare costs		
Future changes in maximum state healthcare benefits		
Expected average remaining service	27.29	28.80
Employee attrition rate(past service (PS))		
18. Sensitivity analysis		



Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Scenario	DBO	Percentage Change
Under Base Scenario	6,344,563	0.00%
Salary Escalation - Up by 1 %	7,732,481	21.90%
Salary Escalation - Down by 1 %	5,219,943	-17.70%
Withdrawal Rates - Up by 1%	5,977,429	-5.80%
Withdrawal Rates - Down by 1%	6,344,563	0.00%
Discount Rates - Up by 1%	5,225,568	-17.60%
Discount Rates - Down by 1%	7,769,158	22.50%

Particulars	As at	
	31st March 2021	31st March 2020
B. Leave Encashment		
1. Changes in present value of obligations		
PVO at beginning of period	15.77	6.74
Interest cost	1.00	0.27
Current service cost	9.46	11.25
Benefits paid	(1.87)	(6.34)
Actuarial (gain)/loss on obligation	1.97	3.85
PVO at end of period	26.34	15.77
2. Interest expenses		
Interest cost	1.00	0.27
3. Fair value of plan assets		
Fair value of plan assets at the beginning		
Interest income		
4. Net liability		
PVO at beginning of period	15.77	6.74
Fair value of the assets at beginning report	15.77	6.74
Net liability		
5. Net interest		
Interest expense	1.00	0.27
Interest income		
Net interest	1.00	0.27
6. Actual return on plan assets		
Less Interest income included above		
Return on plan assets excluding interest income		
7. Actuarial (gain)/loss on obligation		
Due to demographic assumption		
Due to financial assumption	(0.25)	1.02
Due to experience	2.22	2.83
Total actuarial (gain)/loss	1.97	3.85
8. Fair value of plan assets		
Opening fair value of plan asset		
Adjustment to opening fair value of plan asset		
Return on plan assets excl. interest income		
Interest income		
Contributions by employer	1.87	6.34





Particulars	As at	
	31st March 2021	31st March 2020
Contributions by employee		
Benefits paid	-1.87	(6.34)
Fair value of plan assets at end		
9. Past service cost recognised		
Past service cost- (non vested benefits)		
Past service cost -(vested benefits)		
Average remaining future service till vesting of the benefit		
Recognised past service cost- non vested benefits		
Recognised past service cost- vested benefits		
Unrecognised past service cost- non vested benefits		
10. Amounts to be recognized in the balance sheet and statement of profit & loss account		
Fair value of plan assets at end of period	26.34	15.77
Funded status		
Net asset/(liability) recognized in the balance sheet	(26.34)	(15.77)
11. Expense recognized in the statement of profit & loss account		
Current service cost	9.46	11.25
Net interest	1.00	0.27
Past service cost- (non vested benefits)		
Past service cost -(vested benefits)		
Curtailment effect		
Settlement effect		
Actuarial (gain)/loss recognized for the period	1.97	3.85
Expense recognized in the statement of profit & loss account	12.43	15.37
12. Other Comprehensive Income (OCI)		
Actuarial (Gain) / Loss recognised for the period		
Asset limit effect		
Return on Plan Assets excluding net interest		
Unrecognised Actuarial (Gain) / Loss from previous period		
Total Actuarial (Gain) / Loss recognised in (OCI)		
13. Movements in the liability recognized in balance sheet		
Opening net liability	15.77	6.74
Adjustment to opening balance		
Expenses as above	12.43	15.37
Contribution paid	(1.87)	(6.34)
Closing net liability	26.34	15.77
14. Schedule III of The Companies Act 2013		
Current liability	2.67	1.58
Non-current liability	23.67	14.19
15. Short term compensated absence liability		
Valuation date.	31-Mar-21	31-Mar-20
No of days		
Amount *	2.67	1.58
17. Asset information		
Cash and cash equivalents		



Particulars	As at	
	31st March 2021	31st March 2020
Leave encashment scheme		
Debt security - government bond		
Equity securities - corporate debt securities		
Other insurance contracts		
Property		
Total itemized assets		
18. Assumptions		
Mortality		
Interest / discount rate	6.89%	6.77%
Rate of increase in compensation	10.00%	10.00%
Annual increase in healthcare costs		
Future changes in maximum state healthcare benefits		
Expected average remaining service	27.29	28.80
Employee attrition rate(past service (PS))		
19. Sensitivity analysis		

Discount Rate, Salary Escalation Rate and Attrition Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Scenario	DBO	Percentage Change
Under Base Scenario	2,633,607	0.0%
Salary Escalation - Up by 1 %	2,856,338	8.5%
Salary Escalation - Down by 1 %	2,435,778	-7.1%
Attrition Rates - Up by 1%	2,598,972	-1.3%
Attrition Rates - Down by 1%	2,633,607	0.0%
Discount Rates - Up by 1%	2,444,269	-7.2%
Discount Rates - Down by 1%	2,851,368	8.3%

34. Capital Management

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

Particulars	As at	
	31st March 2021	31st March 2020
3. The Company's adjusted net debt to equity ratio is as follows:		
Total Liabilities	61,873.06	37,405.66
Less: Cash and Cash Equivalents	1,419.50	1,560.32
Adjusted Net Debt	60,453.56	35,845.35
Total Equity	35,611.84	34,934.11
Adjusted Net Debt to Equity Ratio	1.70	1.03





35. Financial instruments

1. Accounting classifications and fair values

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

31st March 2021

Particulars	Carrying Amount			Fair Value		
	"Other financial assets -amortised cost"	"Other financial liabilities - amortised cost"	"Total carrying amount"	Level 1	Level 2	Level 3
Financial assets measured at fair value	-	-	-		-	
Financial assets not measured at fair value						
Security deposits	1,881.33	-	1,881.33		-	
Accrued interest	20.23	-	20.23		-	
Trade receivables	2,535.25	-	2,535.25		-	
Cash and cash equivalents	1,419.50	-	1,419.50		-	
	5,856.31	-	5,856.31		-	
Financial liabilities not measured at fair value						
Secured bank loans	-	46,500.00	46,500.00		46,500.00	
Working Capital Loan	-	2,500.00	2,500.00		2,500.00	
Trade payables	-	902.78	902.78		-	
Capital creditors	-	5,055.37	5,055.37		-	
Security deposits received	-	1,963.33	1,963.33		-	
Accrued interest	-				-	
Retention money	-	66.88	66.88		-	
	-	56,988.37	56,988.37		49,000.00	

31st March 2020

Particulars	Carrying Amount			Fair Value		
	"Other financial assets -amortised cost"	"Other financial liabilities - amortised cost"	"Total carrying amount"	Level 1	Level 2	Level 3
Financial assets measured at fair value	-	-	-		-	
Financial assets not measured at fair value						
Security deposits	1,552.36	-	1,552.36		-	
Accrued interest	13.05	-	13.05		-	
Trade receivables	1,356.12	-	1,356.12		-	
Cash and cash equivalents	1,560.32	-	1,560.32		-	
	4,481.84	-	4,481.84		-	
Financial liabilities not measured at fair value						
Secured bank loans	-	28,000.00	28,000.00		28,000.00	
Loans from related parties	-				-	
Trade payables	-	964.24	964.24		-	
Capital creditors	-	3,529.39	3,529.39		-	
Security deposits received	-	1,380.74	1,380.74		-	
Accrued interest	-				-	
Retention money	-	52.96	52.96		-	
	-	33,927.34	33,927.34		28,000.00	



36. Financial risk management

1. Overview

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework:

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

• Credit risk

1. Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amounts of financial assets represents the maximum credit exposure.
2. Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major part of the revenue is contributed by either through cash sales or sales to government owned oil marketing companies like HPCL, IOCL and State transport corporation of A.P. and Telangana with a credit period ranging from 3 days to 25 days. Provision for expected losses towards receivables as per Expected Credit Loss Model were considered to the tune of INR 9.08 Lacs for the Financial Year 2020-21 towards receivables from APSRTC and other Debtors.
3. The Board has established Credit Policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The summary of the company's product wise Credit Period is tabulated below:

Product

Credit Period

1. Compressed Natural Gas (CNG)
 - (a) Oil Marketing Companies like HPCL, IOCL Etc., 15 Days from the Invoice Receipt date
 - (b) Road Transport Corporation like APSRTC, TSRTC Etc., Weekly Advance, followed by 25 Days for monthly Settlement upon receipt of Invoice
 - (c) Others Cash and Carry Basis
 2. Piped Natural Gas (Domestic) 21 Days from the Invoice date
 3. Piped Natural Gas (Industrial) 3 Days from the Invoice Receipt date
 4. Piped Natural Gas (Commercial) 7 Days from the Invoice Receipt date
4. Cash and cash equivalents: The company held cash and cash equivalents of INR 1419.50 as at 31 March 2021 and INR 1560.32 as at 31 March 2020. The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.

• Liquidity risk

1. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
2. The company aims to maintain the level of its cash and cash equivalents and investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. This excludes potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters.
3. Exposure to Liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.





31st March 2021

	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Borrowings- secured	46,500.00		2,500.00	5,000.00	15,000.00	24,000.00
Working Capital Loan	2,500.00	2,500.00				
Trade payables	902.78	902.78				
Other financial liabilities	7,085.58	806.70	6,278.88			
Total	56,988.37	4,209.48	8,778.88	5,000.00	15,000.00	24,000.00

31st March 2020

	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Borrowings- secured	28,000.00			1,750.00	10,500.00	15,750.00
Borrowings- un-secured	-					
Trade payables	964.24	964.24				
Other financial liabilities	4,963.10	600.94	4,362.16			
Total	33,927.34	1,565.18	4,362.16	1,750.00	10,500.00	15,750.00

• Market Risk

1. Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.
2. Currency Risk: The company does not have significant exposure in currency other than INR.
3. Interest rate Risk : The company manages its credit risk by entering into borrowing arrangements which are fixed/ floating and investing in fixed interest instruments.

Sensitivity analysis:

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased profit or loss by INR 349 Lakhs for 31st March 2021 (31st March 2020: INR 187.76 Lakhs). This analysis assumes that all other variables remain constant

	100 bp increase		100 bp decrease	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest on Secured Bank Loan- Variable Interest rate- Effect on Profit / Loss	349.00	187.76	-349.00	-187.76
Cash flow sensitivity	-349.00	-187.76	349.00	187.76

• Operational Risk

1. Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.
2. The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.
3. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:
 - Requirements for appropriate segregation of duties, including the independent authorization of transactions
 - Requirements for the reconciliation and monitoring of transactions
 - Compliance with regulatory and other legal requirements
 - Documentation of controls and procedures
 - Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
 - Requirements for the reporting of operational losses and proposed remedial action
 - Development of contingency plans



- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance when this is effective.

4. Compliance with Company's standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and Board of the Company.

37. Operating leases

Assets taken on lease primarily consist of leased land taken for the purpose of setting up retail outlets, Pressure Reduction Skid (PRS), warehouse, lease hold land allotted by APIIC in Vijayawada and properties for use by the Company. These lease arrangements are normally renewed on expiry of the term.

The adoption of the standard Ind AS 116 Leases with a modified retrospective approach on transition date [1-4-2019] resulted in increase in Right of use assets and lease liabilities by Rs. 68,87,498 and Rs 73,35,864; decrease in other expenses by Rs. 6,52,464; increase in depreciation and finance cost by Rs 6,09,148. and Rs. 56,761 respectively and increase in profit by Rs 17,446 for the year ended 31st March 2020.

38. Contingent liabilities and commitments

Particulars	As at	
	31st March 2021	31st March 2020
1. Contingent liabilities not provided for-		
A. In respect of the following disputed demands / claims which are under appeal / representation for which the company expects no liability		
i. A.P. Value Added Tax- Restriction of ITC	16.73	16.73
ii. Central Excise- Valuation of excisable goods (CNG) and restriction of CENVAT credit	432.81	385.51
iii. Andhra Pradesh State Road Transport Corporation- Claims against supply of CNG	72.22	72.22
iv. In respect of appeals filed against the company towards Income Tax- Disallowance of expenditure for Assessment Years 2008-09 and 2009-10	120.27	120.27
v. GAIL - Towards Excess usage of APM Gas		17.14
B. Guarantees given		
i. PNGRB- VJA, HYD and KKD- BG's issued for operating CGD business.	1550.00	1550.00
ii. Vijayawada Municipal Corporation- Performance BG for Pipe line laying in Vijayawada	35.06	
iii. R&B HYD, National Highways Authority of India	10.92	0.06
iv. BG for Pipe line laying in Vijayawada to R&B.	7.50	
C. Letter of Credit issue to		
Gas Authority of India Ltd.	1711.53	2931.74
East West Pipeline Ltd	177.18	101.25

2. Commitments

- The company is required to complete minimum residential connections for piped gas under the terms of contract awarded by PNGRB. Failing to complete the minimum number of connections would make the Company liable for penal consequences, against which the company has submitted bank guarantees to PNGRB. The company has received notices for delays in minimum installations. The charges for not completing minimum number of connections cannot be measured at this stage and also the Company has represented the matter to the concerned authorities as the delay is on account of various factors most of them being beyond the control of the company.
- In respect of City Gas Distribution activities in Kakinada, PNGRB in May, 2013, invoked the PBG and claimed Rs.1,33,54,500/- for non-achievement of milestones as set out in the authorization. Challenging this, Writ Petition was filed immediately in the High Court of Andhra Pradesh, which has granted stay. The matter is sub judice.
- BGL has suo moto filed writ petitions in November 2015 before the Hon'ble High Court of A.P. and Telangana against PNGRB to stay any invocation of PBGs amounting to Rs. 10,00,00,000 and Rs.4,00,00,000 issued to them for the GAs of Hyderabad and Vijayawada, respectively, on the grounds of force majeure conditions for non-performance. Interim stay has been granted and the matter is sub judice.
- BGL has entered into agreements with APSRTC (Valid for the successor TSRTC) for supply of CNG of varying quantities to their buses operating out of Vidhyadharapuram, Governorpet-II and Ibrahimpatnam depots in Vijayawada as also to Medhcal, Hakimpet and Cantonment depots operating in Hyderabad.

**3. Capital Commitments**

	As at	
	31st March 2021	31st March 2020
Estimated amount of Contracts remaining to be executed on Capital Account not provided for	5,248.00	29,754.87
Other Commitments towards execution of Project Works	9,752.00	
Total	15,000.00	29,754.87

39. Related parties**A. Parent and ultimate controlling party**

Bhagyanagar Gas Limited ("BGL" for short) is promoted as a Joint Venture company of GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL). The promoters GAIL and HPCL each holds 48.73% of equity share capital in BGL as on reporting date. Hence, treated as Related Parties of BGL

B. Transactions with key management personnel

Managing Director and Director-Commercial are on deputation from GAIL/HPCL. The amount mentioned below represents remuneration paid by GAIL/HPCL and debited to the Company. The salary includes salary, employer's contribution to PF, LTA, bonus, medical benefits, gratuity & leave encashment.. All amounts mentioned below are inclusive of service tax or GST. The MD, DC and Company Secretary are regarded as Key Management Personnel in terms of the Companies Act, 2013.

Particulars	As at	
	31st March 2021	31st March 2020
1. Salary & Allowances	194.13	197.23
2. Transport cost (car)	17.66	14.33
	211.79	211.56

C. Transactions with related parties other than KMPs

1. Name of the Related Party	HPCL	GAIL	HPCL	GAIL
2. Nature of Relationship	Joint Venture	Joint Venture	Joint Venture	Joint Venture
3. Nature of transaction:				
	31st March 2021		31st March 2020	
(i) Purchases				
(a) Natural Gas	-	6,329.86	-	10,607.41
(ii) Sales - CNG	5,202.90	-	7,434.92	-
(iii) Inland Letter of Credit	-	1,711.53	-	2,931.74
(iv) Manpower Cost- Deputation	228.06	417.02	239.23	358.74
(v) NG Compression Service	115.23	-	144.99	
Outstanding (Payables) / Receivables	341.58	-378.34	115.51	-318.14

40. Earnings per share**A. Basic Earnings Per Share**

The calculation of basic earnings per share at 31 March 2021 was based on the profit attributable to ordinary shareholders of INR 856.90 Lakhs (2020: INR 1910.87 Lakhs), and a weighted average number of ordinary shares outstanding of 895.79 lakhs (2020: 898.61 lakhs).

Particulars	31st March 2021	31st Dec 2020	31st March 2020	31st March 2021	31st March 2020
1. Profit attributable to ordinary shareholders	769.48	814.66	538.39	856.90	1,910.87
2. Weighted average number of ordinary shares for the year	895.79	895.79	898.61	895.79	898.61
3. Basic EPS	0.86	0.91	0.60	0.96	2.13

B. Diluted Earnings Per Share

The calculation of diluted earnings per share at 31st March 2021 was based on profit attributable to ordinary shareholders of INR 856.90 lakhs (2020: INR 1910.87 lakhs), and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 923.49 lakhs (2020: 926.30 lakhs)

Particulars	31st March 2021	31st Dec 2020	31st March 2020	31st March 2021	31st March 2020
1. Profit attributable to ordinary shareholders	769.48	814.66	538.39	856.90	1,910.87
2. Weighted average number of ordinary shares (diluted) for the year	923.49	923.49	926.30	923.49	926.30
3. Diluted EPS	0.833	0.88	0.58	0.93	2.06

C. Weighted average number of ordinary shares (diluted)

Particulars	31st March 2021	31st Dec 2020	31st March 2020	31st March 2021	31st March 2020
Weighted average number of ordinary shares (basic)	895.79	895.79	898.61	895.79	898.61
Effect of shares to be issued to APIIC for purchase of land	27.69	27.69	27.69	27.69	27.69
	923.49	923.49	926.30	923.49	926.30

41. Long term contracts and derivatives contract in any financial years

The company has long term contracts for supply of gas. There are no foreseeable losses on such contracts. The company does not have any derivatives contract.

42. Subsequent events

They were no subsequent events post the year end.

43. Operating Segments

The company is engaged in the business of gaseous fuel. This being a single segment no separate figures are given

44. Previous year figures have been regrouped and / or rearranged wherever necessary to confirm with current year groupings**45. Impact of Covid-19**

Estimation of uncertainties relating to the global health pandemic from COVID-19 :

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Fixed Assets, Inventories, receivables and other Current 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 sources of information including credit reports and related information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

As per our report on standalone financial statements attached

For Karra & Co.,
Chartered Accountants
FR No: 001749S

K.Sathiya Narayanan
Partner
Membership No.: 210737
UDIN: 21210737AAAET4114

Place: Hyderabad
Date: 13th May 2021

K. SATHIYANARAYANAN
Mem. No. 210737
Partner: KARRA & CO.
Chartered Accountants
"Anugraha"
28, Murray's Gate Road,
Alwarpet, Chennai - 600 018.

K. Sathiyar



For and on behalf of Bhagyanagar Gas Limited

Sanjiv Gujral
Director - Commercial-cum-CEO
DIN No.: 07808552



G.Malleswari
Company Secretary
Membership No. F6574

Rajeev Garg
Managing Director
DIN No.: 07674683





COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHAGYANAGAR GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of Bhagyanagar Gas Limited for the year ended 31 March 2021 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 Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are 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 Revised Audit Report dated 20 August 2021 which supersedes their earlier Audit Report dated 13 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Bhagyanagar Gas Limited for the year ended 31 March 2021 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

In view of the revision made in the Statutory Auditors' Report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under Section 143(6)(b) of the Act.

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

(M. S. Subrahmanyam)
Director General of Commercial
Hyderabad

Place: Hyderabad
Date: 27 August 2021



BGL ANNUAL DAY CELEBRATIONS AT ALL LOCATIONS





SAFETY DAY - SAFETY FIRST



First Aid Training to Technicians.



First Aid Training to Technicians.



Training to Filler Boys of all CNG Stations on Routine Checks while filling CNG into vehicles



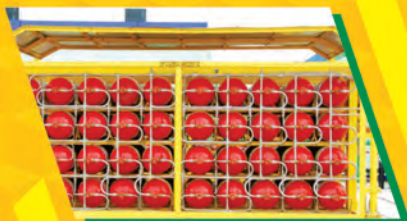
Safety Training to work force during surprise site visit of Steel pipeline laying activity.

Augmenting the CGD infrastructure for a self-reliant India



Bhagyanagar Gas Limited (BGL) has been implementing the City Gas Distribution work, beating the COVID-19 challenge.





Bhagyanagar Gas Ltd.

(A Joint Venture of GAIL (India) Ltd. & HPCL)
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