



**AAVANTIKA GAS LIMITED**

A Joint Venture Company of GAIL & HPCL

# NATURAL GAS

Growing Green for the Future



ANNUAL  
**REPORT**  
2020-2021







**Appreciation for CSR Contribution**



**CNG Auto/Car Rally, 2021**



**Appreciation for CSR Initiative at  
Guruji Seva Nyas, Indore**



**National Safety Week 2021**



**Outdoor Air Purifier provided to  
Indore Municipal Corporation as CSR**





## BOARD OF DIRECTORS



**Prason Kumar**  
Chairman  
w.e.f. 26.09.2020



**Rakesh Misri**  
Chairman  
Till 25.09.2020



**D.K. Pattanaik**  
Director  
w.e.f. 26.09.2020



**H K Srivastava**  
Managing Director



**Gajanan Parmar**  
Director (Commercial)

### Company Secretary

Ms. Rashi Joshi

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### Statutory Auditors

M/s Arora Banthiya & Tulsiyan.,  
Chartered Accountants, Indore

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### Cost Auditors

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

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### Secretarial Auditor

M/s Ruchi Joshi & Company,  
Indore

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### Internal Auditors

M/s Mahesh Solanki & Co,  
Chartered Accountants, Indore

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### Bankers

Bank of Baroda,  
HDFC Bank and  
The Federal Bank Limited

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### Registered Office

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

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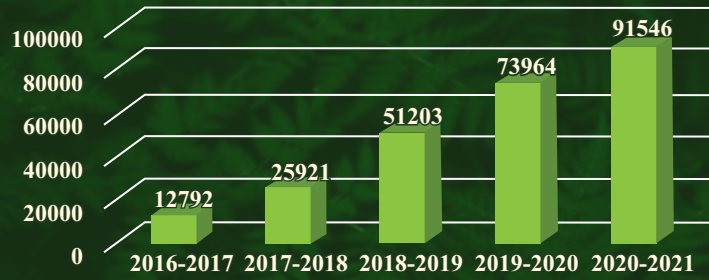




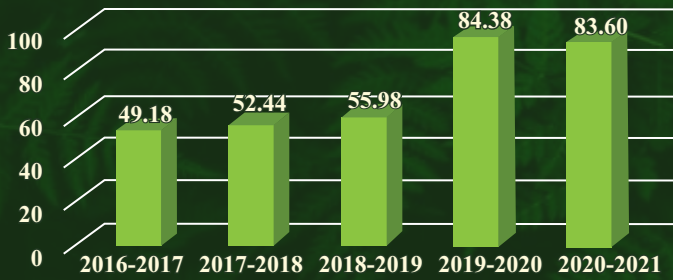


# PERFORMANCE HIGHLIGHT

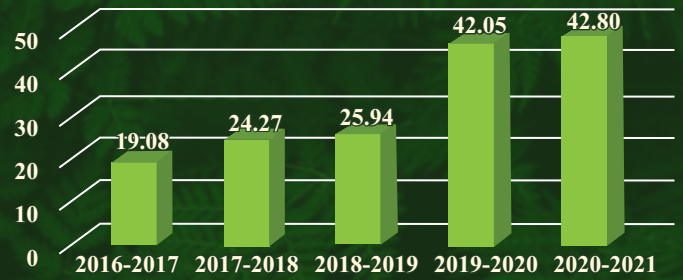
**PNG Domestic Connections**



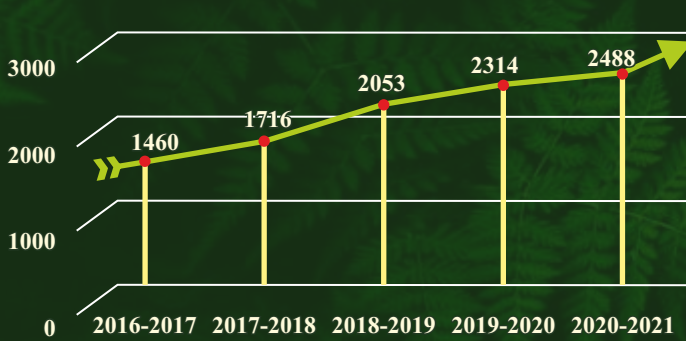
**EBIDTA IN RS. CRORES**



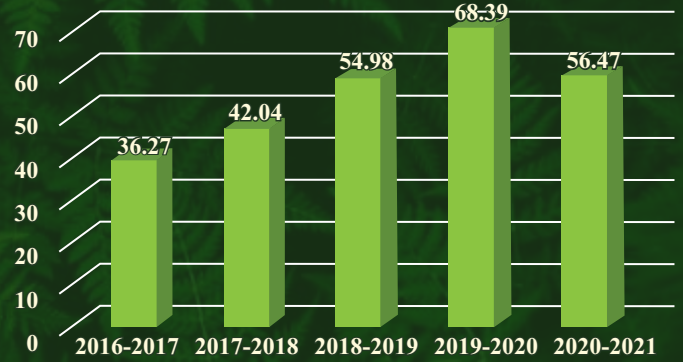
**PROFIT AFTER TAX IN RS. CRORES**



**PIPELINE (STEEL+MDPE) IN KILOMETERS**



**TOTAL SALE IN MMSCM**



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



# PERFORMANCE PROFILE

**FINANCIAL**
**Amount in Rs. Cr.**

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Total Revenue	196.64	242.87	185.61	136.11	120.65	115.17
PAT	42.8	42.05	25.94	24.27	19.08	17.15
EBDIT	83.6	84.38	55.98	52.44	49.18	34.18
EPS (in Rs. per share)	7.24	7.09	4.39	5.26	4.24	3.81
Total Capex	33.89	64.04	80.17	51.82	66.37	65.76

**Sales Quantity**

CNG (in Kg Lakhs)	188.01	294.17	263.72	218.67	192.21	172.20
PNG (in SCM Lakhs)	303.44	275.05	179.66	116.53	95.50	88.37

**Customer Base (in Nos)**

Domestic	91546	73964	51203	25921	12658	6430
Industrial	246	206	158	99	75	59
Commercial	151	126	113	83	61	37

<b>CNG Stations (in Nos)</b>	67	54	39	26	22	20
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## NOTICE

**NOTICE** is hereby given that the **Fifteenth Annual General Meeting** of the members of Aavantika Gas Limited will be held on **Monday, September 27, 2021 at 2:30 pm at 202-B, II<sup>nd</sup> Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore-452010** through video conferencing (VC) or other audio visual means to transact the following business (es):

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2021 and report of the Board of Directors and Auditors thereon and to pass the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2021 and the report of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted."
2. To declare final dividend @ 7% (Rs. 0.70/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration, for the financial year 2020-21 as recommended by the Board and to pass the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend @ 7% (Rs. 0.70/- per equity share) on the paid up equity share capital of the Company as on the date of declaration, for the Financial Year 2020-21 as recommended by the Board of Directors."
3. To appoint a director in place of Mr. Prasoon Kumar (DIN: 08165637), who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT Mr. Prasoon Kumar (DIN: 08165637), be and is hereby re-appointed as Director of the Company, liable to retire by rotation."
4. To fix the remuneration of Statutory Auditors of the company and to pass the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India for the Financial Year 2021-22."

### **SPECIAL BUSINESS**

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Dilip Kumar Pattanaik (DIN: 07540032), who was appointed as an additional director of the company w.e.f. 26<sup>th</sup> September, 2020 by the board of directors and who holds office upto the date of this Annual General Meeting of the company and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013, be and is hereby appointed as a director of the company, liable to retire by rotation."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association, consent of the members of the company be and is hereby accorded to reappoint Mr. Harish Kumar Srivastava (DIN: 07855541) as a Managing Director and hold a position as Key Managerial Personnel of the Company w.e.f 1<sup>st</sup> July 2021 for a period of one year, the other terms and conditions of his reappointment will remain the same as approved earlier by the Board of Directors and shareholders of the company at the time of his appointment, details are as under:
  - (a) Basic Pay as per policy of GAIL (India) Limited which at present is: Rs. 2,20,070/-
  - (b) DA and CCA as per the policy of GAIL (India) Limited.



- (c) Annual Increment as per GAIL policy.
- (d) Deputation Allowance as per GAIL policy.
- (e) Following as per GAIL Policy / Rules and Regulations:
  - i. HRA / Housing
  - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
  - iii. Productivity Performance Linked Payment , Conveyance Reimbursement
- (f) Other allowance / benefits as per GAIL policy.

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

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

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

“**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 as may be amended from time to time and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Vijay P. Joshi & Associates, Cost Accountants having Firm Registration No. 000267, appointed by the board of directors of the company as Cost auditors to conduct the audit of the cost records of the company for the financial year 2021-22 at a remuneration of Rs. 53,100/- (Rupees Fifty Three Thousand One Hundred Only) inclusive of XBRL charges, Out of Pocket Expenses and excluding taxes be and is hereby ratified and confirmed.”

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

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

**Indore, September, 08, 2021**

**Registered Office:**

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

**CIN: U40107MP2006PLC018684**





## NOTES

1. In view of the continuing COVID-19 pandemic, social distancing is a pre-requisite which needs to be followed. Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 (collectively referred to as MCA Circulars) allowed to hold Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the Act) and MCA circulars, the AGM of the company is being conducted through VC/OAVM hereinafter called as 'e-AGM'.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility of appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice.
3. Attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of Companies Act, 2013.
4. Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the company, a certified copy of the relevant board resolution together with the specimen signature(s) of the representative(s) authorised to attend and vote on their behalf at the Meeting.
5. The relevant statement pursuant to section 102 of the Companies Act, 2013, in respect of special business to be transacted at the meeting, is annexed hereto and forms part of this notice. The Board of Directors, at their meeting held on 6<sup>th</sup> September, 2021, has decided that special business set out under item no 5, 6 & 7 being considered unavoidable.
6. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM.
7. The dividend payable on equity shares, if approved by the members, will be paid within 30 days of the AGM to those members whose names appear on the Company's Register of members and as per beneficial owners' position received from NSDL & CDSL as on the date of AGM.
8. To ensure timely credit of dividend through electronic mode or physical instrument such as banker's cheque or demand draft, members are requested to notify change to their address or particulars of their bank account, if any to [csrashi@aglonline.net](mailto:csrashi@aglonline.net).
9. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email on [csrashi@aglonline.net](mailto:csrashi@aglonline.net) atleast a week in advance. The same will be replied by the Company suitably.
11. The Company has been maintaining, inter alia, the following statutory registers at its registered office.
  - Register of contracts or arrangements in which directors are interested under section 189 of the Act
  - Register of directors and key managerial personnel and their shareholding under section 170 of the Act.In accordance with the MCA circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
12. When a poll is demanded by any member during the meeting on any resolution, members may cast their vote through email on [csrashi@aglonline.net](mailto:csrashi@aglonline.net).
13. Instructions relating to access and participation in the meeting will be made available to the members through email on their designated email address atleast one day before the meeting.
14. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.aglonline.net](http://www.aglonline.net).
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice



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

Pursuant to the Joint Venture Agreement between GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL) dated 16<sup>th</sup> November, 2005 and Articles of Association of the company, HPCL vide their letter no. Co. Secy/VM/200/2020 dated 11<sup>th</sup> September, 2020 has nominated Mr. Dilip Kumar Pattanaik, ED- Gas & Renewables, HPCL as Director in Aavantika Gas Limited.

The Board of Directors has appointed Mr. Dilip Kumar Pattanaik as an additional director of the company w.e.f. 26<sup>th</sup> September, 2020 who will hold the office till the next Annual General Meeting.

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

As per provisions of section 50 of the Companies (Amendment) Act, 2017, the Board in their meeting held on 6<sup>th</sup> September, 2021, recommends the appointment of Mr. Dilip Kumar Pattanaik, as a director of the company in the ensuing Annual General Meeting.

A brief profile of Mr. Dilip Kumar Pattanaik, is attached to this notice.

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

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

**ITEM NO. 6**

In terms of provisions of Article 5.1 of the Joint Venture Agreement between GAIL (India) Limited (GAIL) and Hindustan Petroleum Corporation Limited (HPCL) dated November 16, 2005 and Article 122 of the Articles of Association of Aavantika Gas Limited (AGL), GAIL has nominated Mr. H.K. Srivastava as Managing Director on the Board of AGL vide office order no. GAIL/CO/TRF/05/2017 dated 5<sup>th</sup> May, 2017.

Consequently, the Board of Directors with the approval of shareholders initially appointed Mr. Harish Kumar Srivastava as Managing Director w.e.f. 30<sup>th</sup> June, 2017 for a period of three years, and thereafter extended period upto one year i.e. 30<sup>th</sup> June, 2021.

AGL has received mail from GAIL on 17<sup>th</sup> June, 2021 having office order No/GAIL/CO/TRF/06/2021 dated 17<sup>th</sup> June, 2021 regarding extension of tenure of Mr. Harish Kumar Srivastava as a Managing Director upto 30.06.2022. Therefore, the Board of Directors in the Board Meeting held on 28<sup>th</sup> June, 2021, appoint him for a period of one year, and recommended the same for approval of the shareholders, the other terms and conditions of his reappointment will remain the same as approved earlier by the Board of Directors and shareholders of the company at the time of his appointment.

Mr. H.K. Srivastava has been deputed from GAIL as a Managing Director. The terms and conditions of his reappointment is as per the deputation policy of GAIL (India) Limited including remuneration as under:

- (a) Basic Pay as per policy of GAIL (India) Limited which at present is: Rs. 2,20,070/-
- (b) DA and CCA as per the policy of GAIL (India) Limited
- (c) Annual Increment as per GAIL policy.
- (d) Deputation Allowance as per GAIL policy.
- (e) Following as per GAIL Policy / Rules and Regulations:
  - i. HRA/Housing
  - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
  - iii. Productivity Performance Linked Payment, Conveyance Reimbursement
- (f) Other allowance/benefits as per GAIL policy.

A brief profile of Mr. H.K. Srivastava is attached to this notice.

The Board commends the resolution set out at Item No. 6 of notice for approval by the members of the company.

Except Mr. H.K. Srivastava, being the appointee, none of the Directors, Key Managerial Personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 6.

**ITEM NO.7**

The Board at its meeting held on 28<sup>th</sup> August, 2020, has appointed of M/s Vijay P. Joshi & Associates, Cost Accountants (Firm Reg. No. 000267) as Cost Auditors for conducting the audit of the cost records of the company for the financial year 2020-21, 2021-22 & 2022-23 at a remuneration of Rs. 1,59,300/- ( Rs. 44,100/- for FY 2020-21, Rs. 53,100/- for FY 2021-22 & Rs. 62,100/- for FY 2022-23) inclusive of XBRL charges, Out of Pocket Expenses and excluding taxes

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 7 of the notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the company for the financial year 2021-22 at a remuneration of Rs. 53,100/- inclusive of XBRL charges, Out of Pocket Expenses and excluding taxes.

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

The Board commends the Ordinary Resolution set out at Item No.7 of the Notice for approval of the members.

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

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

**Indore, September, 08, 2021**

**Registered Office:**

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

**CIN: U40107MP2006PLC018684**

**ANNEXURE TO THE NOTICE**

**BRIEF PROFILE OF DIRECTOR PROPOSED FOR APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

**1. DILIP KUMAR PATTANAIAK(DIN: 07540032)**

As regards appointment of Mr. Dilip Kumar Pattanaik referred to in Item No. 5 of the Notice, following necessary disclosures are made for the information of the members.

**Information about the Appointee**

Date of Birth	04/09/1963
Date of Appointment on the Board	26/09/2020
List of other Companies in which he holds directorship	HPOIL Gas Private Limited
	Godavari Gas Limited
	Bhagyanagar Gas Limited
	HPCL Shapoorji Energy Private Limited

**Brief Biography**

Mr. Dilip Kumar Pattanaik is an alumnus of NIT Durgapur from where he graduated in Electrical Engg. and thereafter joined HPCL in the year 1983.

He has the distinction of having worked in Retail, Direct Sales, Aviation and presently in Gas. While in Retail, Direct Sales and Aviation, he had handled critical functions in Retail Marketing and now currently heads the Gas & Renewables department as Executive Direction based in Mumbai. During his tenure of 35 years he has handled 3 Regional Offices (Mangalore, Delhi and Secunderabad) and handled 2 Zones (North West and East Zone).

**2. HARISH KUMAR SRIVASTAVA (DIN: 07855541)**

As regards appointment of Mr. H.K. Srivastava referred to in Item No. 6 of the Notice, following necessary disclosures are made for the information of the members.

**Information about the Appointee**

Date of Birth	27/01/1967
Date of Appointment on the Board	30/06/2017
List of other Companies in which he holds directorship	-

**Brief Biography**

Mr. H.K. Srivastava has completed his graduation in Electronic & Telecommunication Engineering from APS University, Rewa and also did MBA in Finance from IGNOU. He started his career as Instrumentation Engineer in Indo Gulf Fertilizers & Chemical Corporation, Jagdispur from 1989 and joined GAIL (India) Limited in 1998 as SDM wherein he handled the various assignments in Petrochemicals Complex PATA from 1998 to 2005 in upstream and downstream units. He has rich experience in instrumentation and automation of gas distribution stations designing.

He has also handled assignments over various functions from 2006 to 2012 in GAIL pipeline project, LMC, designing the gas delivery stations and metering stations. From 2012 onwards, at GAIL Vijaypur, he has worked in Petrochemicals expansion, erection and commissioning projects.

Presently, Mr. H.K. Srivastava is CGM (O & M) in GAIL (India) Limited and is on deputation in Aavantika Gas Limited as a Managing Director.



## BOARD'S REPORT

**Dear Members,**

The Board of Directors is pleased to present the Company's **Fifteenth Annual Report** along with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2021.

### FINANCIAL RESULTS

The Company's financial performance for the financial year ended March 31, 2021 as compared to the previous financial year ended is summarized below:

<b>Particulars</b>	<b>(2020-21)</b>	<b>(2019-20)</b>
Revenue from Operations (net)	195.48	241.35
Other Income	1.17	1.52
<b>Total Revenue</b>	<b>196.64</b>	<b>242.87</b>
<b>Profit before Financial Costs, Depreciation &amp; Tax</b>	<b>83.60</b>	<b>84.39</b>
Financial Cost	5.76	8.93
<b>Profit before Depreciation &amp; Tax</b>	<b>77.84</b>	<b>75.46</b>
Depreciation & Amortization Expenses	17.08	15.38
<b>Net Profit before Tax</b>	<b>60.76</b>	<b>60.07</b>
Provision for Tax/ Deferred Tax Liabilities	17.96	18.02
<b>Net Profit After Tax</b>	<b>42.80</b>	<b>42.05</b>
Other Comprehensive Income	0.00	-0.16
<b>Net Profit</b>	<b>42.80</b>	<b>41.89</b>
Balance of Profit/(Loss) brought forward	133.92	94.94
Transfer to General Reserves	-	-
Dividend paid	-3.55	-2.85
Impact of implementation of IND AS-116	-	-0.06
<b>Surplus Carried to Balance Sheet</b>	<b>173.18</b>	<b>133.92</b>

### COMPANY OVERVIEW

City Gas Distribution (CGD) refers to the transportation or distribution of natural gas through pipeline to domestic, commercial or industrial consumers and transport sectors through a CNG stations. This business has attracted several companies to lay a network of gas pipelines over the last decade. The sector has been witnessing growth over the past years with the expansion of CGD network in various parts of the country.

The government has taken steps to increase indigenous production, creating pipeline infrastructure throughout the country and increasing the capacity of LNG terminals. These measures coupled with the start of Gas Exchange and envisaged revision in transport tariff policy are likely to add growth in the industry and transform India into a vibrant gas market. Other initiatives like LNG corridor along golden Quadrilateral, Blue Corridor (LNG) and expansion of city gas distribution network in the entire country are some of the other pioneering initiatives to boost natural gas demand in the country.

Natural gas currently makes up only 6.2% of all energy consumed in the country. Gas as clean fuel has been given a top priority and Indian Government wants to make the Indian economy as a gas-based economy. In this regard, the government is targeting its share to rise to 15% by 2030. The current consumption of gas comprises around 50% of domestic output and the remaining consumption is met through imports. There has been an increased dependence on imports over the years.

Presently there are 228 Geographical Areas authorized by PNGRB in 27 States and U.T.s covering approximately 53% of the country's geographical area and 70% of its population. In the last CGD bidding round, i.e., the 10th CGD bidding round, 50 Geographical Areas were authorized for development of CGD Network. In order to further expand the reach of natural gas in the country, PNGRB has finalized a list of 65 Geographical Areas to be bid out in the 11th CGD Bidding Round. The aim is to make environment friendly fuel i.e. CNG/PNG available to public at large.

Your company being City Gas Distribution (CGD) company engaged in the business of supplying Piped Natural Gas (PNG) to domestic households, industrial and commercial customers and Compressed Natural Gas (CNG) to automotive sector. It is committed to supplying safe and uninterrupted natural gas at the door step of domestic households, industrial and commercial customers in the form of Piped Natural Gas (PNG) as well as clean fuel to transport sector in the form of Compressed Natural Gas (CNG) at Indore, Pithampur, Ujjain and Gwalior cities of Madhya Pradesh.

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

#### **DETAILS OF MATERIAL CHANGES FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THIS REPORT**

Material changes and commitments affecting the financial position of the company between the end of the financial year to which the financial statements relate and date of this report are as follows:

#### **IMPACT OF COVID-19 ON BUSINESS OPERATIONS.**

Due to outbreak of new coronavirus (COVID-19) as a global pandemic, Government of India had issued orders /notifications for complete lockdown in the country w.e.f. 23rd March 2020 initially for 21 days, which was subsequently extended and phase wise unlocking of restrictions were lifted till 31st Dec 2020. COVID-19 pandemic, globally and in India, is causing significant disturbance in economic and business activities. It has also temporarily impacted the business activities of the Company.

However, the Company has achieved pre-covid operational level of operations. The Company has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis / on useful life of the assets / on financial position etc.

#### **PHYSICAL PERFORMANCE**

Due to COVID-19 and restrictions imposed on the movement of the vehicles in the entire country physical sales volume was very low in Q1 of F.Y. 2020-21, total sales volume was just 39% of the pre lockdown sales volume of Q4 of F.Y. 2019-20. That gradually increased after relaxation in lockdown, from 39% in Q1 to 76% in Q2, 93% in Q3 and 115% in Q4 w.r.t Q4 of F.Y. 2019-20. In Q4 – 2020-21, Industrial PNG sale has increased by 35% and domestic PNG by 58% w.r.t Q4 of F.Y. 2019-20.

Thus, CNG sales volume has decreased by -36% (26.13 mmscm from 40.88mmscm), as compared to previous year growth of 12%. However despite COVID-19 restriction PNG sales volume grew by 10% to 30.34 mmscm in the financial year 2020-21.

During the year your company recorded sales as under:

(in mmscm)

Particulars	For the Year	
	2020-21	2019-20
Compressed Natural Gas (CNG)	26.13	40.88
Piped Natural Gas (PNG)	30.34	27.51
<b>Total</b>	<b>56.47</b>	<b>68.39</b>
Average sales per day (mmscmd)	0.155	0.187

#### **FINANCIAL PERFORMANCE**

Your Company has achieved a Net Turnover (net of excise duty) of Rs. 190.75 Crores in 2020-21 as compared to turnover of Rs. 237.40 Crores in 2019-20 representing a decrease of 20%. Due to Covid-19 decrease in CNG sales volume by -36%, Industrial by -5%, & Increase in Domestic sales volume by 62%. However gas cost has reduced by -34% due to reduction in APM & RLNG gas cost.

The Company registered Profit after Tax (PAT) of Rs. 42.80 Crores in 2020-21 as compared to Rs. 41.89 Crores in 2019-20 i.e. increased by 0.91 Crores. This increase in profitability was due to increase in other Income by Rs. 0.42 Crores & decrease in Employee cost by (Rs. 1.91 Cr.), other expenses by (Rs. 1.89 Cr), Finance Cost (Rs. 3.17 Cr.), Tax (Rs. 0.07 Cr.) & OCI by (Rs. 0.15 Cr.) offset by reduction in gross margin by (Rs. 5.01Cr.) and increase in Depreciation (Rs. 1.69 Cr.).

#### **CREDIT RATING**

Your company credit rating was previously done from Care Ratings, during the year it is reviewed by India Ratings & Research and is upgraded from A+ to AA- for F.Y. 2021-22 which is as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term Debt	India Ratings	INDAA-	Stable

### NETWORK EXPANSION AND CAPEX

The total capital expenditure incurred during the period was Rs. 33.89 Crores as compared to Rs. 64.04 Crores in 2019-20. CAPEX during FY 2020-21 reduced as considerable time was lost due to the COVID Lock down imposed in Q1 & Q2 and thereafter delayed in re – mobilization of the Contractor’s Manpower affected the progress of the project execution. Further delay is also because of timely unavailability of permissions from Statutory Authorities, work suspension during Monsoon and Swachchhta Surveykshan.

Your company has created steel pipeline network of more than 100 kms and increased its MDPE network from 2211.60 kms to 2385.29 kms in 2020-21 to cater to industrial, commercial and domestic customers in Indore, Ujjain, Gwalior and Pithampur.

Your company further augmented its CNG distribution infrastructure by conversion of one daughter station into online station and adding 13 new CNG stations– taking the total number of CNG stations to 67 at the end of the financial year which includes 4 mother stations, 21 online stations and 32 daughter stations.

#### **Infrastructure:**

Particulars	Indore GA including Ujjain	Gwalior GA	Total
Steel Pipeline (in kms)	73.1	30.08	103.18
MDPE Pipeline (in kms)	1836.39	548.9	2385.29
CNG stations (in number)	47	20	67

### BUSINESS PERFORMANCE

#### **a) COMPRESSED NATURAL GAS BUSINESS**

During the year, CNG sales volume has decreased by -36% due to lockdown imposed in the entire country from 23rd March to 31st May and later on it was open in part, therefore minimal movement of vehicles in both the GA’s.

Your company has launched CNG Gift Card Scheme with a business partner HDFC Bank in the denomination of Rs. 5000, Rs. 7000 & Rs. 25,000 for new and retrofitted CNG vehicle car, commercial & heavy vehicles respectively to motivate more retrofitting & new CNG vehicles purchase at Indore, Ujjain & Gwalior.

Your company has successfully identified and issued Letter of intent (LOI) to two Dealer Owned Dealer Operated (DODO) stations (On-line), having high potential area in the city of Indore & Ujjain and issued 1 Mobile refuelling unit (MRU) LOI.

The company has successfully persuaded AICTSL (Local Public Transport Authority in Indore) to buy 400 CNG Buses in Indore for Public Transport, which will help in increasing the CNG sales volume.

Your company is actively pursuing with educational institutions for conversion of diesel buses into CNG, pursuing with IMC for conversion of garbage vehicles into CNG and also liassoning with local administration for running of public transport in CNG, thereby promoting the use of CNG as a “cleaner fuel” in Indore, Ujjain and Gwalior being selected as smart cities of India.

#### **b) PIPED NATURAL GAS**

##### **PNG- DOMESTIC CONNECTIONS**

PNG continued to be focus area of the company during the financial year 2020-21. Your company has added 17,711 domestic PNG registration out of them, 17,582 RFC has been done during the financial year 2020-21 against 22761 (RFC) PNG domestic customers in previous year. The PNG domestic sales volume has increased by 62% in 2020-21 from 7.15 mmscm to 11.5 mmscm. As on 31<sup>st</sup> March, 2021, your company is serving around 91,546 domestic customers and continued to increase greater coverage for domestic customer across Indore and Gwalior (GA).

In order to create PNG awareness and increase the number of domestic customer base, your company has launched Re. 1 per month rental scheme for domestic PNG customers, combined with print and popular FM channels.

Your Company has customer centric approach and believes in providing best quality services to its customers. During the year, the Company strengthened its Customer Relationship Management (CRM) and other IT applications to provide better services to its customers. Special focus has been made to strengthen the meter reading through OCR-based & AI-based meter reading app (first-ever meter reading app of its kind in CGD sector in India), on-spot billing and instant bill delivery processes, which has led to the enhanced customer satisfaction. Path breaking customer self-billing option via MyAGL mobile application has also proven to be extremely useful and widely acknowledged in unprecedented pandemic situations like Covid-19. Your Company has also provided the online partial payment option to its domestic PNG customers to pay the outstanding amount in a user-friendly manner. O& M related complaints (resetting of regulators, leakage) are resolved through whatsapp also.




**PNG Domestic Customers:**

Particulars	Customers
Indore GA including Ujjain	66,044
Gwalior GA	25,502
<b>Total</b>	<b>91,546</b>

**PNG-INDUSTRIAL AND COMMERCIAL**

During the financial year 2020-21, your company continued its thrust on the Commercial & Industrial segment which is one of the potential growth areas in the coming years.

In terms of number of customers, your company has added 40 industrial customers thereby made the total number of industrial customers to 246 as on March 2021 as compared to 206 as on March, 2020 which includes very prominent industrial customer such as “ACG Associates, Kings Nutrition etc”.

Your company has added 26 new commercial customers during the year 2020-21, thus taking the total number of commercial customers to 151 as on March 2021 as against 126 as on March 2020 which includes prestigious and largest commercial customers such as “Radisson, Gwalior, Taj Hyderabadi, Gwalior, Young Tarang, Indore etc”.

In spite of increase in number of industrial and commercial customers, the industrial sales volume has decreased by 5% and commercial sales volume by 51%, due to lockdown imposed in the country all the industrial and hotel units were closed for more than half of the financial year.

Your company continues to expand its network to reach various industrial and commercial units in the surrounding areas.

**NEW INITIATIVE**

Your company is having a codified Purchase Manual containing the detailed purchase procedures, Guidelines and also proper Delegation of Power (DoP) wherever required so that there is a systematic and uniform approach in the award of work for all issued Tenders. Your company with the advent of technology is constantly adapting to new methods and technologies to optimize our operational efficiency and thus successfully implemented online e-Procurement through MSTC platform and also executed Online scrap disposal through MSTC. E-Procurement solution will help in-making the whole process efficient, transparent and substantially reduce the likelihood of any irregularities involved in manual procurement.

Customer loyalty and satisfaction are at the heart of your Company's business and essential for its long-term growth. Your Company reviews its strategies, redefines its approaches and undertakes business initiatives focused on providing better services. Your company has been continuously striving to achieve enhanced service levels to customers by extending best in class applications through leveraging latest technology and best industry practices. These applications include various Apps and Portals interfacing with employees as well as customers and vendors. MyAGL app also witnessed revamp of the user interface as well as enhancement/improvisation including self-billing and spot billing features. Your Company has also extended the existing CRM functionalities to integrate various new enhancements for efficient billing of domestic PNG customers. Your company has taken all possible measures to fight Covid-19 pandemic and has leveraged latest technology to ensure business continuity and unhindered customer services in these difficult times.

Your company has rolled out cloud-based VC system collaboration platform at the very onset of Covid-19 lockdown, along with various other measures including attendance punching through centralized bio-matric machines across all GAs. Your company is well placed to leverage the latest developments in the technological field towards objectives such as business process optimization, more efficient operations and enhanced experience for all the stakeholders.

**FUTURE PLANS AND OUTLOOK**

Despite all challenges posed by COVID-19, your company is making concerted efforts to expand its business in existing areas of operations and to start operations in new geographical areas. In PNG domestic segment, the Company is working aggressively to meet the high target. Also, thrust will be given on bringing all services on a single digital platform for customers. All types of customer request will be entertained via mobile application.

Also, AGL is continually interacting with major builders and developers to provide PNG facility in their upcoming residential projects. The company has aggressive plans to expand its pipeline infrastructure in the new areas of Indore, Ujjain & Gwalior. New high volume industrial & commercial customers will continue to be the target for achieving higher growth by your company.

In CNG, AGL is intending to expand its CNG customer base & serve them effectively by setting up more CNG stations and by encouraging petrol/diesel vehicles to convert to CNG. It is expected that these efforts will boost our CNG volume. Your Company is in the process of setting up of LNG / LCNG stations.



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

#### **DIVIDEND**

Based on the current year Company's performance, the Directors are pleased to recommend for the approval of the shareholders a final dividend at a rate of 7% i.e. Rs. 0.70 per share on the equity share capital of the Company for the year ended March 31, 2021 as against 6% paid in previous year.

#### **TRANSFER TO RESERVES**

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

#### **SHARE CAPITAL**

The authorised share capital of the company as on 31st March, 2021 is Rs. 1,00,00,00,000/- (Rupees One Hundred Crores Only) consisting of 10, 00, 00,000 (Ten Crore) equity shares of Rs. 10/- each. The paid-up share capital of the company as on 31st March, 2021 is Rs. 59, 12,23,260/- (Rupees Fifty Nine Crores Twelve Lakh Twenty Three Thousand Two Hundred and Sixty Only) consisting of 5,91,22,326 (Five Crore Ninety One Lakh Twenty Two Thousand Three Hundred and Twenty Six) equity shares of Rs. 10/- each. There was no change in authorised share capital and paid-up share capital of the company during the year under review.

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

#### **INTERNAL FINANCIAL CONTROLS**

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

M/s Arora Banthiya & Tulsian, the statutory auditors of Aavantika Gas Limited have audited the financial statements included in this annual report and have issued report on our internal control over financial reporting as defined in section 143 of Companies Act 2013 and rules made thereunder.

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

#### **HEALTH SAFETY AND ENVIRONMENT (HSE)**

Health, Safety & Environment is as an integral part of Aavantika Gas Limited. Your Company is committed to the Safety of all its employees, the employees of our contractors and other stakeholders who may be affected by the company's operations. Safety of everyone who works for AGL is of paramount importance. Our goal is to deliver our business with zero injuries because we believe that injuries are preventable. The company makes concerted effort to share safety guidelines and organize awareness campaign to mitigate risk at all times.

In line with Company's HSE policy, Safety Audits and other statutory compliances are done to ensure safety at all aspects of AGL's operations. Safety training is regularly imparted to the employees, contract staff. Safety Awareness programs are conducted regularly for consumers of CNG and PNG through safety clinics. Mock drills are carried out regularly to check preparedness to control emergencies.

The Company also takes various initiatives for raising the general awareness in the relevant community and operating environment as a part of its continuous improvement in Safety measures.

Your company has taken various initiatives to accelerate safety culture amongst Employees, Contractors & Customers.

- **Safety Training & Awareness Session** – Key element to minimize the risk is to know the risk and to get aware about the control measures. We have conducted various trainings and awareness sessions to strengthen the knowledge of our contractors and our esteem customers. During various training session we have tried to create awareness pertaining to COVID – 19 appropriate behaviour amongst for contractors and customers. Your company has also implemented no STC no work policy.
- **Safety Inspection** – PNG and CNG sites are inspected to identify ambiguity during execution phase. Required control measures are adopted to eliminate all potential risk/hazard from the working sites. Our priority is to ensure Safety & Quality compliances and to provide a safe gas distribution network throughout its life cycle.

- **Proactive Safety Culture** – We are promoting a proactive safety culture within the organization where people are encouraged to adopt all safety compliances and to report safety concerns for continual improvements. We are ensuring that our employees and contractors understand their safety accountabilities and to demonstrate a safe behaviour.

## **HUMAN RESOURCES**

Your Company understands that human capital is essential to strategic performance. Bringing this capital into the mainstream of business decision making enables/promotes more efficient allocation of human resources, which in turn contributes towards higher skill levels, increased productivity and greater innovation. AGL maintains a congenial working environment by providing stable employment, safe working conditions and job satisfaction, which encourages the employees to contribute their best. Our responsible approach to structured working conditions includes fair treatment at work, equitable compensation system and flexible working arrangements.

Your Company has dedicated resources to develop its human capital through training and mentoring. People are its most precious resource and their effective investment and management is critical to the continued success of your Company.

Employees are the critical resource for a smooth transition to post COVID-19 business realities, hence the Company aims to boost employee morale and motivate them to reach the desired performance level in these extraordinary times. Your Company also understands that it is imperative to continually strive to develop and enhance the quality of its talent pool and nurture leadership. This would enable it to place competent persons at strategic roles. Your Company has adopted a multi-pronged approach to engage, retain, and tap into the potential of its high-value and capable workforce.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **BOARD OF DIRECTORS**

The Board of Directors has reappointed Mr. Harish Kumar Srivastava (DIN: 07855541) as Managing Director and Key Managerial personnel for another term of one year i.e. w.e.f. 30<sup>th</sup> June, 2020 upto 30<sup>th</sup> June, 2021 and recommended the same for approval of shareholders in the ensuing Annual General Meeting.

The shareholders in the Fourteenth Annual General Meeting held on 25<sup>th</sup> September, 2020 confirmed Mr. Rakesh Misri (DIN: 07340288), Director Marketing, HPCL as Director in AGL, who had been appointed as an additional director on the Board of AGL w.e.f. 27<sup>th</sup> December, 2019 and also confirmed reappointment of Mr. Harish Kumar Srivastava (DIN: 07855541) as Managing Director and Key Managerial Personnel of the company for a period of one year.

Mr. Dilip Kumar Pattanaik (DIN: 07540032), ED- Gas & Renewables, HPCL has been appointed as an additional director of Aavantika Gas Limited w.e.f. 26<sup>th</sup> September, 2020 who shall hold office till the date of the ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013, in place of Mr. Rakesh Misri, (DIN: 07340288) who has resigned from the post of Director and Chairman of the company w.e.f. 26<sup>th</sup> September, 2020.

Mr. Prasoon Kumar (DIN: 08165637), nominee director of GAIL was appointed as Chairman of the company in 14<sup>th</sup> AGM, after completion of two year term of HPCL Chairmanship.

The Board has placed on record its sincere and deep appreciation for the invaluable counsel and contributions made by Mr. Rakesh Misri, (DIN: 07340288) as a Chairman, during his tenure as Board Member in Aavantika Gas Limited.

In accordance with the provisions of section 152(6) of the Companies Act, 2013 and the Articles of Association of the company, Mr. Prasoon Kumar (DIN: 08165637), nominee director of GAIL retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. None of the directors are disqualified under section 164(2) from being appointed as a director of the company.

### **KEY MANAGERIAL PERSONNEL**

The following have been designated as a Key Managerial Personnel of the company pursuant to sections 2(51) and section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- |    |                     |   |                           |
|----|---------------------|---|---------------------------|
| 1. | Mr. H.K. Srivastava | - | Managing Director         |
| 2. | Mr. Gajanan Parmar  | - | Whole Time Director & CFO |
| 3. | Ms. Rashi Joshi     | - | Company Secretary         |

The Board of Directors of the company in its meeting held on 28<sup>th</sup> August, 2020, reappointed Mr. Harish Kumar Srivastava as a Managing Director and Key Managerial Personnel of the company for a period of one year.

There have been no other changes in the KMPs during the year under review.

### **DECLARATION BY INDEPENDENT DIRECTORS**

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





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

### **PERFORMANCE EVALUATION**

In line with the requirement of the Companies Act, 2013, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors based on the laid down criteria of performance evaluation adopted by the Board.

The company has devised a Policy for the formal annual evaluation of the performance of the Board, its committees and of individual directors, which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, communicating inter se board members, effective participation, effectiveness of board processes etc.

### **SECRETARIAL STANDARDS**

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2021, applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31<sup>st</sup> March, 2021 and of the profit of the company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the year ended on 31<sup>st</sup> March, 2021 on a going concern basis;
- e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year 2020-21, your company has not granted loans nor given guarantee nor made any investments covered under the provisions of section 186 of the Companies Act, 2013.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

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

### **REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The company does not have any subsidiaries, associates and joint venture companies for the year ended March 31, 2021.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

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

### **AUDITOR'S AND AUDITORS' REPORTS**

#### **STATUTORY AUDITORS**

M/s Arora Banthia & Tulsyan., Chartered Accountants, Indore, was appointed as statutory auditors of the company for the financial year 2020-21 by Comptroller and Auditor General of India (CAG).

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

The Comptroller and Auditor General of India vide their letter dated 21<sup>st</sup> June, 2021 communicated that they will not conduct supplement audit of the financial statements of Aavantika Gas Limited for the year ended on 31<sup>st</sup> March, 2021 under section 146(6)(a) of the Act.



M/s Arora Banthia & Tulsiyan., Chartered Accountants, Indore was also appointed as statutory auditors of the company for the financial year 2021-22 by Comptroller and Auditor General of India (CAG).

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

The Board had appointed M/s. Ruchi Joshi & Co, Practising Company Secretary, Indore to conduct Secretarial Audit for the FY 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith as Annexure II to this Report. The Secretarial Audit report does not contain any reservation, qualification or adverse remark.

#### **COST AUDITORS**

The Board had appointed M/s. Vijay P. Joshi & Associates, Cost Accountants, Indore (Firm Registration Number: 000267) as the Cost Auditors of the company for conducting the audit of the cost records of the company for the financial year 2020-21 in terms of the provisions of section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time. The Cost Audit Report will be filed within the period stipulated under the Companies Act, 2013.

For financial year 2021-22, the Board of Directors has appointed M/s. Vijay P. Joshi & Associates, Cost Accountants, (Firm Registration Number: 000267) as the cost auditors under section 148 of the Companies Act, 2013 to conduct the audit of cost records of the company and also confirmed that they are not disqualified under any of the provisions specified under section 141(3) of the Companies Act, 2013.

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

#### **INTERNAL AUDITORS**

The Board of Directors has appointed M/s Mahesh C. Solanki & Co, Chartered Accountants (Firm Registration No.: 006228C), Indore as Internal Auditor for the period of three years 2019-20, 2020-21 and 2021-22 pursuant to the provisions of the section 138 of the Companies Act, 2013 and rules made thereunder. M/s Mahesh C. Solanki & Co, Chartered Accountants (Firm Registration No.: 006228C), Indore carried out the internal audit exercise for the financial year 2020-21 and submitted their report.

#### **REPORTING OF FRAUDS BY AUDITORS**

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

#### **VIGIL MECHANISM**

The company has a Whistle Blower Policy as part of the vigil mechanism, which provides a platform to the employees and directors of the company to come forward, to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct of the company and to raise their genuine concerns or grievances about unprofessional conduct without fear of reprisal. The details of the Whistle Blower Policy are available on the website of the company [www.aglonline.net](http://www.aglonline.net).

#### **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

Your company has Risk Management System in place including the Risk Policy & identification of the Risks which are reviewed periodically. The Risk Management Policy, inter alia, includes identification therein of elements of risk, including those which in the opinion of the Board may threaten the existence of the Company. Risk management process has been designed to identify, assess and frame a response to risks that affect the achievement of its objectives.

#### **MEETINGS OF THE BOARD**

The Board of Directors met seven (7) times in accordance with the provisions of the Companies Act, 2013 and rules made thereunder at regular intervals to discuss and decide on company/business policy and strategy apart from regular operations of the business. Also, in case of special and urgent business need, the Board approvals are taken by passing resolution through circulation, as permitted by law, which were confirmed in the subsequent board meetings. All the directors actively participated in the meetings and contributed valuable inputs on the matters brought before the board of directors from time to time. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed under the Companies Act, 2013.

The agenda and notes on agenda are circulated to directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

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

During the financial year seven (7) board meetings were held –1<sup>st</sup> June, 2020, 26<sup>th</sup> June, 2020, 28<sup>th</sup> July, 2020, 28<sup>th</sup> August, 2020, 28<sup>th</sup> October, 2020, 27<sup>th</sup> January, 2021 and 22<sup>nd</sup> March, 2021.

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

<b>Name of Director</b>	<b>No. of Board Meetings held during tenure</b>	<b>No. of Board Meeting Attended</b>
*Mr. Rakesh Misri	4	4
Mr. Prasoon Kumar	7	6
*Mr. Dilip Kumar Pattanaik	3	3
Mr. H.K. Srivastava	7	7
Mr. Gajanan Parmar	7	7

**\*Note:**

1. Mr. Rakesh Misri resigned as director w.e.f. 26<sup>th</sup> September, 2020.
2. Mr. D.K. Pattanaik appointed as director w.e.f. 26<sup>th</sup> September, 2020.

**COMMITTEE**
**CORPORATE SOCIAL RESPONSIBILITY**

Your Company firmly believes that the commitment towards playing a defining role in the development of its stakeholders extends to uplifting lives of the marginalised segments of the society, living in and around its areas of operation. Your company has a well-documented Corporate Social Responsibility (CSR) Policy, and the same is available on the website of the company [www.aglonline.net](http://www.aglonline.net).

Ministry of Corporate Affairs vide its Notification(s) dated 22 January, 2021, notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, which, inter alia, provides for the revised format of annual report for publishing the CSR activities undertaken during the financial year ended 31<sup>st</sup> March, 2021. The Company's CSR Policy Statement and Annual Report on the CSR activities undertaken during the Financial Year ended 31<sup>st</sup> March, 2021, are in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure III to this report.

The present composition of committee is as under:

<b>Name of Members</b>	<b>Category</b>
Mr. Prasoon Kumar	Chairman
Mr. H.K. Srivastava	Managing Director- Member
Mr. Gajanan Parmar	Whole Time Director- Member

During the financial year two CSR Committee meetings were held- 16<sup>th</sup> July, 2020 and 4<sup>th</sup> February, 2021.

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

<b>Name of Director</b>	<b>No. of Committee Meetings held during the year</b>	<b>No. of Committee Meeting Attended</b>
Mr. H.K. Srivastava	2	2
Mr. Prasoon Kumar	2	2
Mr. Gajanan Parmar	2	2

**DISSOLUTION OF AUDIT COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE.**

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

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



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

**EXTRACT OF ANNUAL RETURN**

As per the requirements of section 92(3) of the Act and rules framed thereunder, the extract of the annual return as on 31<sup>st</sup> March, 2021 is given in Annexure IV in the prescribed Form No. MGT-9, which is a part of this report. The same is available on www.aglonline.net.

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

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

**i. The steps taken or impact on conservation of energy:**

- (a) CNG Compressor and other major equipment were properly maintained with the implementation of preventive maintenance schedule and regular monitoring of power factor to conserved energy.
- (b) AGL has undertaken Green Initiative to reduce printing of documents-Print only when it is very Essential.

**ii. Steps taken by the Company for utilising alternate sources of energy:**

AGL has installed a 30 KW Solar panel system at mother station Ujjain. Approx. 57% of saving compare to the billing before the installation of the solar panel.

**iii The capital investment on energy conservation equipment: NIL**

**TECHNOLOGY ABSORPTION**

1. The efforts made towards technology absorption are:

- (a) Spot billing system is implemented where PNG customers' bills are instantly generated at customer premises.
- (b) Online meter reading of Industrial & commercial customers are being replaced to enable capturing readings on a real time basis.

2. The benefits derived like product improvement, cost reduction, product development or import substitutions are Nil.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

All above imported technology are Nil during the last three years reckoned from the beginning of the financial year.

4. The expenditure incurred on Research and Development is also Nil.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has framed a policy on Prevention of Sexual Harassment at Workplace and has constituted Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. During the financial year 2020-21, no complaint with allegation of sexual harassment was received by the Company. Further, the Company also conducts interactive sessions for employees, to build awareness about the policy and the provisions of POSH Act.

**GENERAL**

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

- Details relating to deposits covered under Chapter V of the Act.





- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except Employees' Stock Options Plan referred to in this report.
- Neither the Managing Director nor the Whole-time Directors of the company receive any commission from company.
- The company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

**ACKNOWLEDGEMENT**

The Board of Directors wishes to place on record their deep sense of gratitude to the Ministry of Petroleum & Natural Gas, State Government of Madhya Pradesh, Petroleum and Natural Gas Regulatory Board, Statutory & Local Authorities, Bankers, Contractors, Vendors and suppliers for their whole hearted support and co-operation.

The Board wishes to especially thank and acknowledge the valuable guidance and support received from time to time from its promoters – GAIL (India) Limited and Hindustan Petroleum Corporation Limited for their support.

The Directors place on record our sincere appreciation for the hard-work, solidarity and contribution of each and every employee of the Company in driving the growth of the Company.

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

**Indore, 6<sup>th</sup> September, 2021**

**Sd/-  
Gajanan Parmar  
Whole Time Director  
DIN: 08459668**

**Sd/-  
H.K. Srivastava  
Managing Director  
DIN: 07855541**

**ANNEXURE I**  
**FORM NO. AOC -2**

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

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

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

Aavantika Gas Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2020-21.

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

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2021 are as follows:

SL. No.	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. in Crores)
1	GAIL (India) Limited	Gas Purchase	92,65,82,818	F.Y (2020-21)	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable.	NIL
2.	Hindustan Petroleum Corporation Limited	Gas Purchase	93,32,337	F.Y (2020-21)			NIL
3.	Hindustan Petroleum Corporation Limited	Gas Sale	34,13,44,921	F.Y (2020-21)			NIL
4.	GAIL (India) Limited	Supply of Manpower Services	95,92,473	F.Y (2020-21)			NIL
5.	Hindustan Petroleum Corporation Limited	Supply of Manpower Services	1,37,30,066	F.Y (2020-21)			NIL

**For and on behalf of the Board**

Indore, 6<sup>th</sup> September, 2021

Sd/-  
**Gajanan Parmar**  
Whole Time Director  
(DIN: 08459668)

Sd/-  
**H.K. Srivastava**  
Managing Director  
(DIN: 07855541)



**ANNEXURE II**  
**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

*[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]*

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

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

Based on my verification of the Company’s books, papers, 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2021, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021, according to the provisions of:

- i) The Companies Act, 2013 (‘the Act’) and the rules made there under;
- ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- iii) The company is an unlisted public limited company, hence the Regulations and Guidelines prescribed by the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) are not applicable to the Company during the Financial Year.

I have also examined Compliance with the applicable clause of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) Joint Venture Agreement dated 16<sup>th</sup> November, 2005 as amended from time to time. (The company is a Joint Venture Company between the Gail (India) Limited and Hindustan Petroleum Corporation Limited (HPCL).

I report that:

The compliances of applicable financial, cost and tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals, hence no comments have been made on the matters.



I have relied on the representation made by the company, its officers and on the report by designated professionals and authorities for the system and processes formed by the company to monitor and ensure compliances under other applicable acts, regulation and laws to the company.

I further report that, having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws as being specifically applicable to the company;

- The Petroleum and Natural Gas Regulatory Board Act, 2006 and the rules made thereunder
- Explosive Act, 1884
- Gas Cylinder Rules, 2004.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliances with the provisions of the Act and the Joint venture Agreement.

Adequate notices are given to all directors to schedule the Board Meetings, notice, agenda and detailed notes on agenda were sent at least seven days in advance except the meetings scheduled on shorter notice, which were complied by the Company under Companies Act, 2013 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.

Majority decision is carried through while the dissenting members' views, if any, were captured and recorded as part of the minutes.

Based on the information, representation, clarifications and reports provided by the Company, its Board of Directors, its designated officers, and authorized representatives during the conduct of audit, I further report that, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules and Regulations, guidelines and happening of events etc. to the Company.

I further report that during the audit period, there is no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Ruchi Joshi**  
**(Practicing Company Secretary)**

**Place: Indore**  
**Date: 01.09.2021**

**Ruchi Joshi**  
**FCS: 8570|CP: 14971**  
**UDIN: F008570C000870981**

**Note:**

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





**‘Annexure-A’ to the Secretarial Audit Report**

TO,  
THE MEMBERS,  
AAVANTIKA GAS LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company since the same have been subject to review by statutory financial auditor, Cost auditor and other designated professionals.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.
7. I have relied on electronic/ soft copies of documents as produced and we have not visited to the Company’s Registered office for verification of compliances of various laws due to the COVID- 19 Pandemic. However, the Company Secretary of the Company has provided necessary information and explanation as was desired by us.

**For Ruchi Joshi**  
**(Practicing Company Secretary)**

**Place: Indore**  
**Date: 01.09.2021**

**Ruchi Joshi**  
**FCS: 8570|CP: 14971**  
**UDIN:F008570C000870981**

### ANNEXURE III

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

**1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY**

Aavantika Gas Limited (AGL) recognizes that its business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interest of its stakeholders. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

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

**2. COMPOSITION OF THE CSR COMMITTEE**

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2021, the CSR Committee of the Board comprises of:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01.	Shri Prasoon Kumar	Chairman	2	2
02.	Shri H. K. Srivastava	Managing Director	2	2
03.	Shri Gajanan Parmar	Whole Time Director	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.**

(i) Web-link : [www.aglonline.net](http://www.aglonline.net)

**4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable (attach the report).- NA**

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

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

**6. Average net profit of the company as per section 135(5): Rs. 43,12,48,160.66**

**7. (a) Two percent of average net profit of the company as per section 135(5): Rs.86,24,963/- for FY 2020-21 (carried forward amount for FY 2019-20 is Rs. 20, 13,197/-)**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil**

**(c) Amount required to be set off for the financial year, if any: Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 1, 06, 38,160/- including carried forward amount of Rs. 20, 13,197/ for FY 2019-20)

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

Total amount spent for the financial year (in Rs)	Amount Unspent (In Rs)				
	Total Amount transferred to Unspent CSR Account as per sec 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
89,88,816/-	-	-	PM CARES fund	16,50,000	04.09.2021

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Rs.89,88,816/- (Details attached at Annexure III 8 (c) as per format).

(d) Amount spent in Administrative Overheads: NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 89,88,816/-

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

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

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

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

(Asset-wise details).

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

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

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

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

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

Out of the unspent CSR amount of Rs. 16,49,344/-, an amount of Rs. 14,00,000/- was allocated for CNG garbage vehicles in Gwalior on request from Gwalior Municipal Corporation (GMC). In spite of regular follow ups, CNG garbage vehicles not yet delivered to GMC, after enquiry AGL came to know that vendor has some ongoing payment dispute with Nagar Nigam, Thus, vendor has clearly refused to provide CNG



vehicles without advance receipt of payment in this case. Therefore, this unspent amount has been transferred to PM CARES Fund specified in Schedule VII of the Act.

Remaining amount of Rs. 2, 49,344/- was allocated for Traffic Signboard to be displayed in Schools. Indore Traffic Police has delayed in providing the list of schools in which traffic signboards are to be displayed. Since the list of schools are provided on 1st September, 2020, thus in order to comply with the provisions of section 135(5) of the Act, AGL has transferred unspent amount to PM CARES Fund specified in Schedule VII of the Act.

Presently, country is fighting against COVID-19 Pandemic, in order to fight against COVID-19 pandemic, unspent amount has been transferred to PM CARES Fund, specified in Schedule VII of the Act.

**For and on behalf of the Board**

**Sd/-**  
**H.K. Srivastava**  
**Managing Director –CSR Committee**  
**(DIN: 07855541)**

**Sd/-**  
**Prasoon Kumar**  
**Chairman-CSR Committee**  
**(DIN: 08165637)**

**Indore, 6<sup>th</sup> September, 2021**





### Annexure III 8-C

FY 2021-22 Expenditure List - Other than ongoing project				Location of the project				Mode of implementation - Through implementing agency	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs. Lakhs)	Mode of implementation -Direct (Yes/No)	Implementing Agency	CSR Registration Number
1	Radio awareness campaign for Corona Virus on radio FM channels	Disaster management including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Indore GA & Gwalior GA	7.60	Yes	-	-
2	1000 Face Shields to Indore Traffic Police Department	Disaster management including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Indore	2.10	No	Indore Traffic Police Department	
3	Plantation & enchancing of Cleanliness work at Ujjain Mother Station	Environment Sustainability	Yes	Madhya Pradesh	Ujjain	8.99	No	Ujjain Municipal corporation	
4	Covid-19 Protection kit	Disaster management including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Ujjain	6.03	No	Ujjain Police Department	
5	Covid-19 Protection kit	Disaster management including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Ujjain	4.65	No	District Administration, Ujjain	
6	Covid-19 Protection kit	Disaster management including relief, rehabilitation and reconstruction activities	Yes	Madhya Pradesh	Gwalior	3.00	No	Gwalior Police Department	
7	Supply of Litter bins to Ujjain Municipal Corporation (UMC)	Health care and sanitation	Yes	Madhya Pradesh	Ujjain	18.05	No	Ujjain Municipal corporation	
8	Supply outdoor air purifier unit to Indore Municipal Corporation	Maintaining quality of air	Yes	Madhya Pradesh	Indore	24.78	No	Indore Municipal corporation	
9	Provided Haemodialysis Machine & RO Plant to Shri Guruji Seva Nyas	promoting health care including preventive health care	Yes	Madhya Pradesh	Indore	8.68	yes	-	-
10	Provided X-ray Machine with multipose table to Jayrogya Government Hospital, Gwalior	promoting healthcare including preventive health care	Yes	Madhya Pradesh	Gwalior	6.00	yes	-	-
	<b>Total</b>					<b>89.88</b>			

**Annexure III 10**

<b>Date of creation or acquisition of capital asset</b>	<b>Amount of CSR spent for creation or acquisition of capital asset</b>	<b>Details of the entity or public authority or beneficiary under whose name capital asset is registered, their address</b>	<b>Details of capital asset created or acquired (including complete address or location of the asset)</b>
25.02.2021	24,78,000	Indore Municipal Cooperation	Outdoor Air purfier 2 units at Indraprasth Square, Palsaia Square, Regal Square, High Court Square, Collectorate Square, Geetabhavan Sqaure
09.03.2021	8,68,275	Guruji Seva Nyas	Guruji Seva Nyas Indore, Dialsysis unit & RO Plant
22.07.2021	6,00,000	Jayarogya Hospital Gwalior	X-Ray Machine with multipose table

**ANNEXURE IV**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on March 31, 2021

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

**I. REGISTRATION & OTHER DETAILS**

CIN	:	U40107MP2006PLC018684
Registration Date	:	June 07, 2006
Name of the Company	:	Aavantika Gas Limited
Category/Sub-category of the Company	:	Company Limited by Shares/ Indian Non-Government Company
Address of the registered office & contact details	:	202-B, II Floor, NRK Business Park, Vijay Nagar Square, A. B. Road, Indore (M.P.) – 452010 Telephone No.: (0731) – 4222520
e-mail id	:	csagl@aglonline.net
Whether listed company	:	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	MCS Share Transfer Agent Ltd, F-65, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Telephone No. +91 11 41406149.
e-mail id	:	ajay@mcsregistrars.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Natural Gas	3520	99.60

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
The Company do not have any holding, subsidiary and associate companies.			

**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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	3	2	5	0.00	3	2	5	0.00	-



b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies corp.	5,91,14,071	-	5,91,14,071	99.99	5,91,14,071	-	5,91,14,071	99.99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total									
(A) (1)	5,91,14,074	2	5,91,14,076	99.99	5,91,14,074	2	5,91,14,076	99.99	-
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total									
(A) (2)	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter(A)=(A)(1)+(A)(2)</b>	<b>5,91,14,074</b>	<b>2</b>	<b>5,91,14,076</b>	<b>99.99</b>	<b>5,91,14,074</b>	<b>2</b>	<b>5,91,14,076</b>	<b>99.99</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	8250	-	8250	0.01	8250	-	8250	0.01	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Promoter Group entities	-	-	-	-	-	-	-	-	-





Non Resident Indians	-	-	-	-	-	-	-	-	-
Foreign Companies	-	-	-	-	-	-	-	-	-
Directors/ Relatives	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	8250	-	8250	0.01	8250	-	8250	0.01	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>8250</b>	<b>-</b>	<b>8250</b>	<b>0.01</b>	<b>8250</b>	<b>-</b>	<b>8250</b>	<b>0.01</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>5,91,22,324</b>	<b>2</b>	<b>5,91,22,326</b>	<b>100</b>	<b>5,91,22,324</b>	<b>2</b>	<b>5,91,22,326</b>	<b>100</b>	<b>-</b>

**ii. SHAREHOLDING OF PROMOTERS**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	2,95,57,035	49.99	NIL	2,95,57,035	49.99	NIL	00.00
2	Hindustan Petroleum Corporation Limited	2,95,57,036	49.99	NIL	2,95,57,036	49.99	NIL	00.00
3	A.K Jha	1	00.00	NIL	1	00.00	NIL	00.00
4	Ashish Kumar Mittal	1	00.00	NIL	1	00.00	NIL	00.00
5	U.K. Tripathi	1	00.00	NIL	1	00.00	NIL	00.00
6	V Murali	-	-	-	1	00.00	NIL	00.00
7	R Sridhar	-	-	-	1	00.00	NIL	00.00

**iii. CHANGE IN PROMOTERS' SHAREHOLDING**

Particulars	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
At the beginning of the year- as on 1 <sup>st</sup> April 2020	5,91,14,076	99.99	5,91,14,076	99.99
Increase/Decrease in no. of shareholding	-	-		
At the end of the year	-	-	5,91,14,076	99.99

**iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS**
**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Particulars	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
<b>IL&amp;FS INVESTMENT MANAGERS LIMITED</b>				
At the beginning of the year	8,250	0.02	8,250	0.02
Increase /(Decrease)	-	-	-	-
At the end of the year			8,250	0.02


**V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Particulars	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
At the beginning of the year	-	-	-	-
Increase/ (Decrease)	-	-	-	-
At the end of the year	-	-	-	-

None of the directors and key managerial personnel holds any shares of the company during the financial year 2020-21.

**VI. INDEBTEDNESS**

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,21,20,18,640	-	33,27,70,496	1,54,47,89,136
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	42,22,700	-	-	42,22,700
<b>Total (i+ii+iii)</b>	<b>1,21,62,41,340</b>	<b>-</b>	<b>33,27,70,496</b>	<b>1,54,90,11,836</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	28,25,51,581	-	10,76,26,648	39,01,78,229
* Reduction	48,26,82,574	-	1,79,83,168	50,06,65,742
<b>Net Change</b>	<b>-20,01,30,993</b>	<b>-</b>	<b>8,96,43,480</b>	<b>-11,04,87,513</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,01,45,60,781	-	42,24,13,976	1,43,69,74,757
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15,49,566	-	-	15,49,566
<b>Total (i+ii+iii)</b>	<b>1,01,61,10,347</b>	<b>-</b>	<b>42,24,13,976</b>	<b>1,43,85,24,323</b>

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Amount in Rs.)

SN.	Particulars of Remuneration	H.K. Srivastava (Managing Director)	Gajanan Parmar (Whole Time Director)	Total Amount
1	Gross salary	81,29,214	55,92,430	*1,37,21,644
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	2,78,518	2,08,248	4,86,766
	<b>Total (A)</b>	<b>84,07,732</b>	<b>58,00,678</b>	<b>1,42,08,410</b>
	**Ceiling as per the Act			-

\*Payable to Parent Organizations

\*\* Remuneration is within the ceiling prescribed under Companies Act, 2013


**B. REMUNERATION TO OTHER DIRECTORS**

(Amount in Rs.)

SN.	Particulars of Remuneration			Total Amount
<b>1</b>	<b>Independent Directors</b>	-	-	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	-	-	-
<b>2</b>	<b>Other Non-Executive Directors</b>	<b>D.K. Pattanaik</b>	<b>Prasoon Kumar</b>	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD** (Amount in Rs.)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	14,16,518	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	6,620	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>14,23,138</b>	-	-

\*The remuneration to CFO is not paid separately as he is also working in the capacity of Whole Time Director and drawing remuneration for the same.

**VIII 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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



## INDEPENDENT AUDITOR'S REPORT

**TO**  
**THE MEMBERS OF**  
**M/S AAVANTIKA GAS LIMITED**

### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Financial Statements of AAVANTIKA GAS LIMITED, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended, and notes to the financial statements, including, a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "The Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the 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, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to Note No. 48 to the standalone financial statements regarding the impact of COVID -19 pandemic on the Company. The impact of pandemic in future period cannot be ascertained as on date. However, the Management is of view that there will be no significant impact on the continuity of operations of the business on long term basis/on useful life of the assets/on financial position, etc. Our opinion is not modified in respect of this matter.

#### **Key Audit Matters**

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

#### **Impact of Covid-19 on Audit**

Due to the on going pandemic of Covid 19 and consequent lockdown enforced by State Government of Madhya Pradesh, we could not carry out normal audit procedures by visiting the office and audit was carried out using "Work from Home" approach. This is considered as Key Audit Matter, since alternate audit procedures were performed for carrying out the audit.

Due to "work from home" approach adopted, we performed following alternative audit procedures:

- Remote Access to financial accounting and taxation software on laptops of team members.
- Various data and confirmation were received either electronically through email or through data sharing on drive.
- For various audit procedures, reliance was placed on scanned copies of original documents shared with us electronically.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

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





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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

#### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) Further, as required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards 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 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company, as detailed in note 47 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i) As required by section 143(5) of the Act, our report is as per 'Annexure III'.

**For: Arora Banthia & Tulsian**  
**Chartered Accountants**  
**Firm Registration No: 007028C**

**Sd/-**  
**CA. Vishal Bhatia**  
**(Partner)**  
**Membership No.404411**  
**UDIN:21404411AAAACG1519**  
**Indore, 7<sup>th</sup> May, 2021**

### ANNEXURE TO THE AUDITORS REPORT

#### **ANNEXURE “A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF AAVANTIKA GAS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

We report that:

- i) In respect of Company’s Fixed Assets:
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed assets except MDPE/Steel pipeline (as they are underground) in a phased manner which, in our opinion, the programme is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Management has conducted the physical verification of fixed assets last year i.e. FY 2019-20 and in our opinion and as per the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and the title deeds / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of lands which are freehold, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement and buildings are held in the Company’s name as at the balance sheet date.
- ii) As explained to us, inventories have been physically verified during the year by the Management at reasonable intervals. No material discrepancy was noticed on Physical Verification of stocks by the management as compared to book records. But due to outbreak of second wave of COVID 19 and subsequent imposition of lockdown by the State Government of Madhya Pradesh, physical verification of stocks could not be conducted in last quarter. However, alternate audit procedures were applied for verifying physical presence of the inventory and obtained management representation.
- iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) According to the information and explanation given to us, the company has not accepted any deposits from the public and does not have any unclaimed deposits as at 31<sup>st</sup> March, 2021, covered under sections 73 to 76 of the Companies Act, 2013.
- vi) As per information & explanation given by the management, there has been proper maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues:
  - a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2021 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.

<b>Name of the Statute</b>	<b>Nature of Due</b>	<b>Amount</b>	<b>Amount paid under protest</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Central Excise Tax Act, 1944	Excise duty	19,43,165/-	4,75,618/-	2014-15	CESTAT, New Delhi
MP Vat Act, 2002	Value Added Tax	33,18,800/-	3,31,880/-	2016-17	Commissioner Commercial Tax (Appeal).

- viii) In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.



- ix) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer. The money raised by way of term loans have been applied for the purpose for which they were obtained.
- x) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable Indian Accounting Standards.
- xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv) The company has not entered into non-cash transactions with directors or persons connected to its Directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For: Arora Banthia & Tulsyan**  
**Chartered Accountants**  
**Firm Registration No: 007028C**

**Sd/-**  
**CA. Vishal Bhatia**  
**(Partner)**  
**Membership No.404411**  
**UDIN:21404411AAAACG1519**  
**Indore, 7<sup>th</sup> May, 2021**





## ANNEXURE TO THE AUDITORS REPORT

**ANNEXURE “B” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF AAVANTIKA GAS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

We have audited the internal financial controls over financial reporting of AAVANTIKA GAS LIMITED as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **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.

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

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



**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Arora Banthia&Tulsiyan  
Chartered Accountants  
Firm Registration No: 007028C**

**Sd/-  
CA. Vishal Bhatia  
(Partner)  
Membership No.404411  
UDIN:21404411AAAACG1519  
Indore, 7<sup>th</sup> May, 2021**



**Annexure III**

**As required by directions given by Comptroller and Auditor General of India for the year 2020-21 under Section 143(5) of the Companies Act, 2013.**

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

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

**For Arora Banthia Tulsian  
Chartered Accountants  
Firm Registration No: 007028C**

**Sd-  
CA. Vishal Bhatia  
(Partner)  
Membership No. 404411  
UDIN: 21404411AAAACG1519  
Indore, 7<sup>th</sup> May,2021**



**AAVANTIKA GAS LIMITED**  
**BALANCE SHEET AS ON 31-03-2021**

(Amount in Rs.)

	Notes	Audited	Audited
		FY 2020-21	FY 2019-20
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2(a)	3,87,25,09,850	3,74,90,70,080
(b) Capital Work-in-Progress	2(b)	42,07,55,694	37,68,71,280
(c) Other Intangible Assets	2(c)	9,40,226	20,07,620
(i) Right of Use Assets	3	1,16,29,867	1,73,03,668
(iii) Long Term Loans & Advances	4	46,07,595	43,52,195
(iv) Others Financial Assets - NC	5	13,63,356	12,58,265
(i) Other Non-Current Assets (NF)	6	6,88,100	6,40,541
		<b>4,31,24,94,689</b>	<b>4,15,15,03,650</b>
<b>(2) Current assets</b>			
(a) Inventories	7	1,00,18,181	67,60,193
(ii) Trade Receivables - C	8	26,07,50,524	18,46,51,123
(iii) Cash and Cash Equivalents	9	14,87,66,626	6,24,47,163
(iv) Bank Balances other than (iii) above	10	11,81,66,958	11,47,94,582
(v) Others Financial Assets - C	11	6,50,213	7,37,011
TDS Receivables		35,99,228	43,81,436
(d) Other Current Assets - NF	12	90,69,144	1,44,86,207
		<b>55,10,20,874</b>	<b>38,82,57,714</b>
<b>Total Assets</b>		<b>4,86,35,15,564</b>	<b>4,53,97,61,364</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	13	59,12,23,260	59,12,23,260
(i) Security Premium Account		40,88,22,454	40,88,22,454
(ii) Retained Earnings	14	1,73,18,28,850	1,33,92,60,584
(iii) Reserves			
<b>Total equity</b>		<b>2,73,18,74,564</b>	<b>2,33,93,06,298</b>
<b>Liabilities</b>			
<b>(1) Non Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Long Term Borrowings	15	85,39,56,656	1,01,39,74,446
(b) ROU Lease Liability	16	38,98,263	69,19,106
(c) Long Term Provisions	17	1,43,67,797	1,10,83,039
(d) Deferred Tax Liabilities (Net)	18	26,43,74,912	19,16,29,473
(e) Other Non-Current Liabilities - NF	19	42,39,27,678	33,41,71,552
		<b>1,56,05,25,307</b>	<b>1,55,77,77,616</b>
<b>(2) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Trade Payables - C	20	10,59,92,232	6,48,63,181
(ii) Other Current financial liabilities	21	41,05,42,951	51,99,33,585
(b) Other Current Liabilities	22	98,29,285	87,82,660
(c) Short Term Provisions	23	4,47,51,224	4,90,98,024
		<b>57,11,15,693</b>	<b>64,26,77,450</b>
<b>Total Equity and Liabilities</b>		<b>4,86,35,15,564</b>	<b>4,53,97,61,364</b>

**For Arora Bantia & Tulsyan**  
Chartered Accountants  
Firm Reg. No. 007028C

**For and on behalf of the Board**

**Sd/-**  
**Vishal Bhatia**  
(Partner)  
Membership No. 404411  
UDIN: 21404411AAAACG1519

**Sd/-**  
**H.K.Srivastava**  
(Managing Director)  
DIN : 07855541

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

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

Place : Indore  
Date : 07-05-2021

Place : Indore  
Date : 07-05-2021





**AAVANTIKA GAS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021**  
 (Amount in Rs.)

	Notes	Audited	Audited
		FY 2020-21	FY 2019-20
<b>Revenue</b>			
<b>Revenue From Operations</b>			
Sale of Products	24	2,03,62,63,456	2,57,61,70,380
Other Operating Revenues	25	4,72,48,204	3,95,17,267
		<b>2,08,35,11,660</b>	<b>2,61,56,87,647</b>
Other Income	26	1,16,63,873	1,52,36,572
<b>Total Income</b>		<b>2,09,51,75,533</b>	<b>2,63,09,24,219</b>
<b>Expenses</b>			
Cost of Materials Consumed	27	23,69,19,046	53,01,80,410
Purchases of Stock-in-Trade		57,72,97,425	70,02,19,040
Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress	28	(1,91,875)	(86,107)
Excise Duty on sale of CNG		12,87,25,925	20,21,95,862
Employee Benefits Expense	29	9,09,03,140	11,01,16,408
Finance Costs	30	5,75,75,772	8,93,07,300
Depreciation & Amortization Expense	31	17,07,58,524	15,38,37,244
Other Expenses	32	22,55,48,341	24,44,12,009
<b>Total Expenses</b>		<b>1,48,75,36,297</b>	<b>2,03,01,82,166</b>
<b>Profit Before exceptional items and Tax</b>		<b>60,76,39,236</b>	<b>60,07,42,053</b>
<b>Exceptional Items</b>			-
<b>Profit Before Tax</b>		<b>60,76,39,236</b>	<b>60,07,42,053</b>
<b>Tax expense:</b>			
Current tax		10,68,67,204	10,72,14,387
Deferred tax		7,27,45,439	8,51,78,093
Less: MAT credit entitlement		-	(1,21,59,435)
<b>Tax Expenses</b>		<b>17,96,12,643</b>	<b>18,02,33,045</b>
<b>Profit/(loss) for the period</b>		<b>42,80,26,592</b>	<b>42,05,09,007</b>
<b>Other Comprehensive Income</b>			
<b>A: Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Remeasurement of the defined benefit plans;		21,260	(22,30,740)
Income tax relating to items that will not be reclassified to profit or loss		(6,191)	6,49,591
<b>Net Other Comprehensive income not to be reclassified to Profit and Loss in subsequent periods</b>		<b>15,069</b>	<b>(15,81,149)</b>
<b>B: Items that will be reclassified to P&amp;L</b>			
<b>Net Other Comprehensive income to be reclassified to Profit and Loss in subsequent periods</b>		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>15,069</b>	<b>(15,81,149)</b>
<b>Total Comprehensive Income for the year, net of tax (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>42,80,41,661</b>	<b>41,89,27,859</b>
<b>Earning Per Share</b>			
(1) Basic		7.24	7.09
(2) Diluted		7.24	7.09

**For Arora Bantia & Tulsian**

Chartered Accountants  
Firm Reg. No. 007028C

Sd/-  
**Vishal Bhatia**  
(Partner)  
Membership No. 404411  
UDIN: 21404411AAAACG1519

Place : Indore  
Date : 07-05-2021

**For and on behalf of the Board**

Sd/-  
**H.K.Srivastava**  
(Managing Director)  
DIN : 07855541

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

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

Place : Indore  
Date : 07-05-2021



**AAVANTIKA GAS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021** (Amount in Rs.)

Particulars	2020-21	2019-20
<b>A Cash Flow From Operating Activities</b>		
1 Profit for Period before adjustment of Extraordinary Item	60,76,39,236	60,07,42,053
2 Adjustment for :		
Depreciation & Amortisation	17,07,58,524	15,04,93,407
Non Cash item debited to P&L A/c	7,62,370	10,97,335
Provision for Doubtful Debt	-	1,48,76,112
Provision for Doubtful Debt written back	(32,73,795)	(10,67,280)
Interest Income	(83,14,656)	(1,40,85,035)
Borrowing Cost	5,68,78,489	8,82,70,367
Operating profit before working capital change (Total 1+2)	82,44,50,167	84,03,26,958
Trade receivables	(7,28,25,607)	(7,10,19,225)
Loans & Advances and other Assets	1,16,56,912	(1,67,26,805)
Inventories	(32,57,988)	(26,59,792)
Current Liabilities & Provisions	12,18,38,392	11,37,88,956
Cash generated from operating activities	5,74,11,709	2,33,83,133
Income Tax Paid	88,18,61,876	86,37,10,091
<b>Net cash generated from operating activities</b>	<b>77,84,50,109</b>	<b>75,23,35,788</b>
<b>B Cash flow from Investing activities</b>		
1 Purchase of fixed assets (Includes CWIP)	(37,71,31,115)	(56,52,94,973)
2 Fixed Deposit held with bank	(8,81,02,467)	6,48,13,288
4 Interest Income	84,01,454	1,42,40,692
<b>Net cash generated from Investing activities</b>	<b>(45,68,32,128)</b>	<b>(48,62,40,992)</b>
<b>C Cash flow from financing activities</b>		
1 Long term loan raised	28,25,51,582	46,84,50,681
2 Principal Repayment of Term Loan	(48,00,09,440)	(61,45,58,881)
3 Dividend Paid (including DDT)	(3,54,73,396)	(2,85,10,038)
4 Borrowing Cost	(8,69,92,264)	(11,74,26,689)
<b>Net cash generated from financing activities</b>	<b>(31,99,23,518)</b>	<b>(29,20,44,927)</b>
<b>D Net Increase/(Decrease) in cash and cash equivalents</b>	<b>16,94,463</b>	<b>(2,59,50,131)</b>
<b>E Cash and cash equivalents at beginning of the year</b>		
Cash in hand	24,34,993	39,31,301
Balance with banks	1,64,12,170	4,08,65,993
<b>Cash and cash equivalents at end of the year</b>	<b>1,88,47,163</b>	<b>4,47,97,293</b>
Cash in hand	19,63,536	24,34,993
Balance with banks	1,85,78,090	1,64,12,170
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>16,94,463</b>	<b>(2,59,50,131)</b>

For Arora Banthia & Tulsian  
Chartered Accountants  
Firm Reg. No. 007028C

For and on behalf of the Board

Sd/-  
**Vishal Bhatia**  
(Partner)  
Membership No. 404411  
UDIN: 21404411AAAACG1519

Sd/-  
**H.K.Srivastava**  
(Managing Director)  
DIN : 07855541

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

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

Place : Indore  
Date : 07-05-2021

Place : Indore  
Date : 07-05-2021





## NOTES FORMING PART OF FINANCIAL STATEMENT

### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

#### 1) Basis of preparation of financial statements:

The financial statements have been prepared and presented under IND AS as recognized by Ministry of Companies Affairs and the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013 as applicable, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India (ICAI). All income and expenditure having material bearing are recognized on accrual basis except where otherwise stated. Necessary estimates and assumption of income and expenditure are made during the reporting period and difference between the actual and the estimates are recognized in the period in which the result materialized.

#### 2) Presentation of Financial Statements

Financial statement includes following:

1. Balance sheet
2. Statement of profit and loss
3. Statement of changes in equity
4. Statement of Cash flow

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

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

#### 4) Classification of Financial and Non-Financial Assets:

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

##### Financial asset is any assets that is:

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

##### Financial liability is any liability that is:

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

**5) Fixed Assets:**

- a) Fixed Assets are stated at their original cost of acquisition/installation (net of Modvat/Cenvat), net of accumulated depreciation, amortization and impairment losses.
- b) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively.
- c) Lease arrangements for land are identified as finance lease in case such arrangements result in transfer of the related risks and rewards to the Company. Other Lease hold land are identified as operating lease.
- d) Operating Lease of more than 12 months are recognised as Right of use Lease asset and amortised over the lease period are shown as Non-current assets and future lease payment as Right of use lease liability and shown as Non-current liability as stipulated in INDAS 116
- e) Capital work in progress: Expenditure during construction period (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses, pending allocation to the assets and are included under "Capital Work in Progress". These are apportioned to fixed assets on commencement of commercial production.

**6) Depreciation:**

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

**7) Inventories:**

Each component of Inventories are valued at cost computed on First in First Out (FIFO) basis

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

**8) Security Deposit:**

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

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

**9) Provisions:**

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

**10) Income taxes:**

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

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

**11) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received



or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured at the fair value of the consideration received or receivable, after considering expected credit losses if any, excluding excise duty, VAT, net of returns and allowances, trade discounts and volume rebates.

**12) Borrowing Cost**

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

**13) Cash and Cash Equivalent**

An investment treated as cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Fixed Deposit having maturity within 3-12 months period have been considered under other bank balances.

**14) Employee Benefits**

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

**15) Contingent Liabilities**

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



**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited FY 2020-21	Audited FY 2019-20
<b><u>Note 2 (a): Property, Plant and Equipment</u></b>		
Buildings	10,49,20,058	10,98,82,538
Plant and Equipment	3,53,48,85,533	3,44,66,93,514
Furniture and Fixtures	86,29,543	78,73,233
Domestic Meters & Regulators	13,44,60,954	12,36,31,429
Electrical and Other Equipment	1,26,68,541	1,32,86,742
Computer System	21,72,149	29,52,201
Gas Cylinders including Valves & Regulators	7,47,73,072	4,47,50,423
	<b>3,87,25,09,850</b>	<b>3,74,90,70,080</b>
<b><u>Note 2 (b): Capital Work-in-Progress</u></b>		
Capital Work in Progress	42,07,55,694	37,68,71,280
	<b>42,07,55,694</b>	<b>37,68,71,280</b>
<b><u>Note 2 (c): Other Intangible Assets</u></b>		
Intangible Assets	9,40,226	20,07,620
	<b>9,40,226</b>	<b>20,07,620</b>
<b><u>Note 3: Right of Use Assets</u></b>		
ROU Lease NRK office	4,24,949	29,74,641
ROU Lease Customer Care office	10,77,859	15,01,935
ROU Lease Warehouse	19,35,222	45,15,514
ROU Lease Indore MS	27,239	28,943
ROU Lease Gwalior MS	26,51,252	27,90,792
ROU Lease Ujjain MS	7,61,371	5,33,264
ROU Lease Pithampur MS	47,51,975	49,58,579
	<b>1,16,29,867</b>	<b>1,73,03,668</b>
<b><u>Note 4: Long Term Loans &amp; Advances</u></b>		
<b>Unsecured, considered good</b>		
Refundable Security Deposit (IDA)	15,18,610	15,18,610
Refundable Security Deposit (MPEB)	6,42,629	6,42,629
MP Audyogik Water (Pithampur)	2,500	2,500
Refundable Security Deposit (MPRDCL)	2,77,500	2,77,500
Refundable Security Deposit (Railway)	19,66,356	19,10,956
Refundable Security Deposit (BPCL)	2,00,000	-
	<b>46,07,595</b>	<b>43,52,195</b>
<b><u>Note 5: Other Non Current Financial Assets</u></b>		
Bank Deposit with more than 12 months maturity	13,63,356	12,58,265
	<b>13,63,356</b>	<b>12,58,265</b>
<b><u>Note 6: Other Non Current Assets Non Financial</u></b>		
Prepaid Rent of Pithampur and Ujjain MS Land (Security Deposit)	41,970	39,141
Prepaid security deposit of NRK Office	6,46,130	6,01,400
	<b>6,88,100</b>	<b>6,40,541</b>
<b><u>Note 7: Inventories</u></b>		
<b>Raw materials</b>		
on hand	28,71,459	26,87,399
In transit	-	-
<b>Work-in-progress</b>	-	-


**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited FY 2020-21	Audited FY 2019-20
<b>Finished goods</b>	9,74,166	7,55,429
<b>Stock-in-trade</b>		
on hand	-	-
In transit	-	-
<b>Stores and spares</b>		
on hand	61,72,556	33,17,365
In transit	-	-
<b>Packages</b>	-	-
	<b>1,00,18,181</b>	<b>67,60,193</b>
<b>Note 8: Current Trade Receivables</b>		
Secured, considered good;	-	-
Unsecured considered good;*	26,07,50,524	18,46,51,123
Doubtful	1,48,76,112	1,81,49,907
Less: Allowances for Bad and Doubtful Debts	(1,48,76,112)	(1,81,49,907)
	<b>26,07,50,524</b>	<b>18,46,51,123</b>
(*Amount receivables from related parties as on 31.03.2021 is Rs. 1,95,49,554/-) (Previous year 2,50,79,078/-)		
<b>Note 9: Cash and Cash Equivalents</b>		
Balances with Banks:	1,85,78,090	1,64,12,170
Cash on hand	19,63,536	24,34,993
Fixed Deposits with Less than 3 months maturity	12,82,25,000	4,36,00,000
	<b>14,87,66,626</b>	<b>6,24,47,163</b>
<b>Note 10: Other Bank Balances</b>		
Fixed Deposits with 3 - 12 months maturity	11,81,66,958	11,47,94,582
	<b>11,81,66,958</b>	<b>11,47,94,582</b>
<b>Note 11: Other Current Financial Assets</b>		
Interest accrued on term deposit with bank	6,50,213	7,37,011
	<b>6,50,213</b>	<b>7,37,011</b>
<b>Note 12: Other Current Assets Non Financial</b>		
Cenvat & GST Credit Receivable	34,18,991	40,70,330
Prepaid Processing Fees for Long term borrowing	12,87,936	20,67,892
Other Advance & Receivables	3,54,435	11,53,514
VAT Paid (Appeal)	3,31,880	3,31,880
Prepaid Expenses	36,75,903	68,62,592
	<b>90,69,144</b>	<b>1,44,86,207</b>
<b>Note 13: Equity Share capital</b>		
<b>A. Authorized:</b>		
10,00,00,000 Equity Shares of Rs 10/- each	1,00,00,00,000	1,00,00,00,000
<b>B. Issued, Subscribed &amp; Paid up:</b>		
5,91,22,326 Equity Shares of Rs 10 each Fully Paid	59,12,23,260	59,12,23,260
	<b>59,12,23,260</b>	<b>59,12,23,260</b>
<b>The List of Shareholders holding more than 5% shares in the company</b>		
<b>Name of Shareholders</b>	<b>Nos. of Shares</b>	<b>Nos. of Shares</b>
1. GAIL (India) Limited	29557038 (49.99%)	29557038 (49.99%)
2. Hindustan Petroleum Corporation Limited	29557038 (49.99%)	29557038 (49.99%)


**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited	Audited
	FY 2020-21	FY 2019-20
	Nos. of Shares	Nos. of Shares
Reconciliation of the Nos. of Equity Shares Outstanding		
Shares outstanding at the beginning of the year	5,91,22,326	5,91,22,326
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	5,91,22,326	5,91,22,326
<b><u>Note 15: Long Term Borrowings</u></b>		
<b>Term loans</b>		
Secured		
Secured Rupee Term Loan From HDFC Bank	18,46,12,875	51,44,84,565
Secured Rupee Term Loan From Federal Bank	66,93,43,782	49,94,89,880
	<b>85,39,56,656</b>	<b>1,01,39,74,446</b>
(Term Loan Each Term Loan is of 9 years with 2 years moratorium with first charge over fixed assets and second charge over current assets)		
<b><u>Note 16: ROU Lease Liability</u></b>		
ROU Lease Liability NRK office	-	3,74,010
ROU Lease Liability CC office	6,63,992	10,79,022
ROU Lease Liability warehouse	-	24,51,130
ROU Lease Liability Indore MS	5,672	5,487
ROU Lease Liability Gwalior MS	15,39,461	15,98,169
ROU Lease Liability Ujjain MS	4,58,744	1,47,460
ROU Lease Liability Pithampur MS	12,30,394	12,63,828
	<b>38,98,263</b>	<b>69,19,106</b>
<b><u>Note 17: Long Term Provisions</u></b>		
Provision for Gratuity	55,96,847	46,55,684
Provision for Leave Encashment	87,70,950	64,27,355
	<b>1,43,67,797</b>	<b>1,10,83,039</b>
<b><u>Note 18: Deferred Tax Liabilities (Net)</u></b>		
<b>Deferred Tax Assets</b>		
Retirement Benefits	41,83,902	32,27,381
	<b>A 41,83,902</b>	<b>32,27,381</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	42,69,79,314	36,12,68,386
	<b>B 42,69,79,314</b>	<b>36,12,68,386</b>
MAT Credit Entitlements	15,84,20,499	16,64,11,532
	<b>C 15,84,20,499</b>	<b>16,64,11,532</b>
	<b>(B - A + C) 26,43,74,912</b>	<b>19,16,29,473</b>
<b><u>Note 19: Other Non Current Liabilities</u></b>		
Security and Other Deposit	42,24,13,977	33,27,70,497
Decommissioning Liability for Leased Asset	1,12,646	1,04,537
	<b>42,39,27,678</b>	<b>33,41,71,552</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited FY 2020-21	Audited FY 2019-20
<b>Note 20: Current Trade Payables</b>		
Sundry Creditors*	10,02,41,180	5,93,35,134
Other Payables		
- Payable to HPCL	32,92,898	32,64,534
- Payable to GAIL	24,58,154	22,63,513
	<b>10,59,92,232</b>	<b>6,48,63,181</b>
(*Amount payable to related parties as on 31.03.2021 is Rs. 5,37,02,839/-) (Previous year 2,95,87,189/-)		
<b>Note 21: Other Current Financial Liabilities</b>		
Current maturities of long-term debt	15,81,45,066	19,59,25,131
Interest & Instalment Accrued but not due on Term Loan	15,49,566	42,22,700
Current ROU Lease Liability	27,89,840	64,68,327
Creditors for Assets	24,66,42,217	31,22,93,722
Salary Payable	4,22,187	2,31,788
Stale Cheques balance	9,94,074	7,91,918
	<b>41,05,42,951</b>	<b>51,99,33,585</b>
<b>Note 22: Other Current Liabilities</b>		
MAT Payable	26,12,698	-
Statutory Payables	53,71,556	46,20,217
TDS Payable	15,03,714	40,69,672
TCS Payable	2,21,683	-
Excise Duty on Closing Stock	1,19,634	92,772
<b>Others Current Liabilities - NF</b>	<b>98,29,285</b>	<b>87,82,660</b>
<b>Note 23: Short Term Provisions</b>		
Provision for Expenses	4,47,51,224	4,90,98,024
	<b>4,47,51,224</b>	<b>4,90,98,024</b>



**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**Note 14 :Statement of Changes in Equity (SOCIE)**

	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>(a) Equity share capital</b>				
Balance at the beginning of the reporting period Balance	5,91,22,326	59,12,23,260	5,91,22,326	59,12,23,260
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	5,91,22,326	59,12,23,260	5,91,22,326	59,12,23,260

**(b) Other equity**

Particulars	Equity Component of Compound Financial Instruments	Reserves & Surplus			Total	Non-Controlling Interest	Total Equity
		Retained Earnings	Capital Reserve	Securities Premium Account			
<b>Balance at Mar 31, 2019</b>	-	<b>94,94,16,129</b>	-	<b>40,88,22,454</b>	<b>1,35,82,38,583</b>	-	<b>1,35,82,38,583</b>
Profit for the year	-	42,05,09,007	-	-	42,05,09,007	-	42,05,09,007
Final Dividend for F.Y. 2018-19	-	(2,36,48,930)	-	-	(2,36,48,930)	-	(2,36,48,930)
Tax on Distributed Profit	-	(48,61,108)	-	-	(48,61,108)	-	(48,61,108)
Impact of implementation of IND AS 116	-	(5,73,365)	-	-	(5,73,365)	-	(5,73,365)
Other comprehensive income for the year	-	(15,81,149)	-	-	(15,81,149)	-	(15,81,149)
<b>Total comprehensive income for the year</b>	-	<b>38,98,44,455</b>	-	-	<b>38,98,44,455</b>	-	<b>38,98,44,455</b>
<b>Balance at March 31, 2020</b>	-	<b>1,33,92,60,584</b>	-	<b>40,88,22,454</b>	<b>1,74,80,83,038</b>	-	<b>1,74,80,83,038</b>
Profit for the year	-	42,80,26,592	-	-	42,80,26,592	-	42,80,26,592
Final Dividend for F.Y. 2019-20	-	(3,54,73,396)	-	-	(3,54,73,396)	-	(3,54,73,396)
Tax on Distributed Profit	-	-	-	-	-	-	-
Impact of implementation of IND AS 116	-	-	-	-	-	-	-
Other comprehensive income for the year	-	15,069	-	-	15,069	-	15,069
<b>Total comprehensive income for the year</b>	-	<b>39,25,68,266</b>	-	-	<b>39,25,68,266</b>	-	<b>39,25,68,266</b>
<b>Balance at Mar 31, 2021</b>	-	<b>1,73,18,28,850</b>	-	<b>40,88,22,454</b>	<b>2,14,06,51,304</b>	-	<b>2,14,06,51,304</b>





**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note 2a : Property, Plant and Equipment**

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020	ADDITIONS	DISPOSALS/ADJUSTMENTS	BALANCE AS AT 31 <sup>ST</sup> MAR 2021	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020	DEPRECIATION EXPENSE FOR THE PERIOD	ADJUSTMENTS	BALANCE AS AT 31 <sup>ST</sup> MAR 2021	BALANCE AS AT 31 <sup>ST</sup> MAR 2021	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020
<b>Tangible Assets</b>										
Land - Freehold	-			-	-			-	-	-
Buildings	13,46,98,064			13,46,98,064	2,48,15,526	49,62,480		2,97,78,006	10,49,20,058	10,98,82,538
Plant and Equipment	3,86,55,83,342	23,56,34,577	(46,48,140)	4,09,65,69,780	41,88,89,828	14,31,98,993	(4,04,575)	56,16,84,246	3,53,48,85,533	3,44,66,93,514
Furniture and Fixtures	1,35,39,321	22,24,300	(1,00,000)	1,56,63,620	56,66,088	13,83,463	(15,474)	70,34,077	86,29,543	78,73,233
Domestic Meters & Regulators	13,72,57,114	2,08,17,920	(11,63,400)	15,69,11,633	1,36,25,684	90,25,629	(2,00,634)	2,24,50,679	13,44,60,954	12,36,31,429
Electrical and Other Equipment	2,71,01,425	20,59,257		2,91,60,682	1,38,14,683	26,77,457		1,64,92,140	1,26,68,541	1,32,86,742
Computer System	56,52,911	6,82,226	(44,286)	62,90,851	27,00,710	14,28,176	(10,184)	41,18,702	21,72,149	29,52,201
Gas Cylinders including Valves & Regulators	5,22,51,629	3,36,13,428		8,58,65,057	75,01,206	35,90,779		1,10,91,985	7,47,73,072	4,47,50,423
<b>Total Tangible Assets</b>	<b>4,23,60,83,804</b>	<b>29,50,31,708</b>	<b>(59,55,826)</b>	<b>4,52,51,59,687</b>	<b>48,70,13,724</b>	<b>16,62,66,978</b>	<b>(6,30,866)</b>	<b>65,26,49,836</b>	<b>3,87,25,09,850</b>	<b>3,74,90,70,080</b>
<i>Previous Year</i>	<i>3,70,93,41,079</i>	<i>52,85,96,534</i>	<i>(22,10,430)</i>	<i>4,23,57,27,183</i>	<i>33,76,06,570</i>	<i>14,96,66,326</i>	<i>(2,59,171)</i>	<i>48,70,13,724</i>	<i>3,74,87,13,458</i>	<i>3,37,20,91,131</i>

**Note 2b**

Capital Work in Progress	4,23,57,27,183
Add:- Capital Work in Progress:-	42,07,55,694
<b>Total:-</b>	<b>4,29,32,65,544</b>

**Note 2c: Other Intangible Assets**

PARTICULARS	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK	
	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020	ADDITIONS	DISPOSALS/ADJUSTMENTS	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020	ELIMINATED ON DISPOSAL OF ASSETS	BALANCE AS AT 31 <sup>ST</sup> MAR 2021	BALANCE AS AT 31 <sup>ST</sup> MAR 2021	BALANCE AS AT 1 <sup>ST</sup> APRIL 2020
<b>Intangible assets</b>								
Software	59,16,506	4,130		39,08,886		49,80,410	9,40,226	20,07,620
<b>Total Intangible Assets</b>	<b>59,16,506</b>	<b>4,130</b>	<b>-</b>	<b>39,08,886</b>	<b>-</b>	<b>49,80,410</b>	<b>9,40,226</b>	<b>20,07,620</b>
<i>Previous Year</i>	<i>55,59,885</i>	<i>3,56,621</i>	<i>-</i>	<i>30,81,804</i>	<i>-</i>	<i>39,08,886</i>	<i>20,07,620</i>	<i>24,78,081</i>


**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited FY 2020-21	Audited FY 2019-20
<b><u>Note 24 : Sale of Products</u></b>		
Sale of Products		
Sale of CNG	1,19,48,78,988	1,87,66,33,940
Sale of PNG	1,12,53,92,733	1,06,02,46,110
Less : VAT	28,40,08,266	36,07,09,670
	<b>2,03,62,63,456</b>	<b>2,57,61,70,380</b>
<b><u>Note 25 : Other Operating Revenues</u></b>		
Connection charges	74,16,827	1,11,19,350
Liquidated Damages & Extra pipe charges	3,26,59,601	2,82,11,144
Tender fees	19,492	51,594
Sales (Scrap)	6,98,191	-
Compression Charges Income	64,50,950	-
Sale of Lubricant	3,144	1,35,179
	<b>4,72,48,204</b>	<b>3,95,17,267</b>
<b><u>Note 26 : Other Income</u></b>		
Interest Income		
Interest On Deposits	83,14,656	1,40,85,035
Interest Income on EIR Basis (Security deposits )	47,559	44,135
Interest on Deposit with MPPKV	27,863	40,121
	<b>83,90,078</b>	<b>1,41,69,292</b>
Provision for Bad & Doubtfull Debt Written Back	32,73,795	10,67,280
	<b>32,73,795</b>	<b>10,67,280</b>
	<b>1,16,63,873</b>	<b>1,52,36,572</b>
<b><u>Note 27 : Cost of Materials Consumed</u></b>		
Cost of Materials Consumed		
Opening Stock	26,87,399	24,25,589
Add: Purchase	82,05,45,024	1,24,49,45,729
	82,32,32,423	1,24,73,71,318
Less: Captive Consumption	61,44,493	1,42,84,469
Less: Direct Sales	57,72,97,425	70,02,19,040
Less: Closing Stock	28,71,459	26,87,399
Raw Material Consumed	<b>23,69,19,046</b>	<b>53,01,80,410</b>
<b><u>Note 28 : Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress</u></b>		
<b>Closing Stock:</b>		
Finished Goods	9,74,166	7,55,429
<b>Less: Opening Stock:</b>		
Finished Goods	7,55,429	6,57,266
Less: (Increase)/Decrease in Excise duty on Stocks	(26,862)	(12,055)
	<b>(1,91,875)</b>	<b>(86,107)</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(Amount in Rs.)

	Audited FY 2020-21	Audited FY 2019-20
<b>Note 29 : Employee Benefits Expense</b>		
Salaries and Wages	8,35,34,973	10,33,52,393
Contribution to Provident & Other Funds	23,12,184	23,11,674
Retirement Benefits Expense (Gratuity, Leave encashment Etc.)	43,28,571	33,91,058
Staff Welfare Expenses	7,27,412	10,61,283
	<b>9,09,03,140</b>	<b>11,01,16,408</b>
<b>Note 30 : Finance costs</b>		
Interest on Borrowings	5,68,78,489	8,82,70,367
Processing fees on loan EIR	4,39,960	6,56,519
Interest Expense on ROU Assets (IND AS)	2,57,323	3,80,414
	<b>5,75,75,772</b>	<b>8,93,07,300</b>
<b>Note 31 : Depreciation &amp; Amortization Expenses</b>		
Depreciation on Fixed Asset	16,62,66,978	14,96,66,326
Amortisation of softwares	10,71,524	8,27,082
Amortisation on ROU Assets	34,20,022	33,43,837
	<b>17,07,58,524</b>	<b>15,38,37,244</b>
<b>Note 32 : Other Expenses</b>		
Power and Fuel	1,53,40,656	2,19,37,941
Add : Fuel of own production consumed	61,44,493	1,42,84,469
	<b>2,14,85,149</b>	<b>3,62,22,409</b>
Repairs and Maintenance - Plant & Machinery	6,56,55,736	5,93,79,956
<b>Other Administrative Expenses</b>		
Advertisement & Publicity	32,11,341	32,31,586
Bank Charges	6,22,765	54,13,719
Books, Periodicals & Subscriptions	7,01,293	5,70,453
Business Promotion Expenses	60,92,012	69,15,513
Bad & Doubtfull Debt Provision	-	1,48,76,112
CNG Transportation Charges	2,90,42,002	2,40,22,724
Conferences & Meetings	-	69,349
Corporate Social Responsibility (CSR) Expenses	86,24,964	68,08,705
Decommissioning Liability Amortised	1,12,646	1,04,537
Duties & Taxes	23,03,757	23,76,641
Electricity And Water	5,15,299	5,80,975
Festival Expenses	2,70,795	4,97,617
Insurance	1,21,05,540	26,23,312
License Fees	6,70,878	11,47,219
Loss On Asset Discarded	37,50,096	14,89,935
Office & Warehouse Rent	4,52,461	6,87,169
Office Administration Expenses	15,25,892	14,49,474
Payments To The Auditor	6,95,240	6,32,406
Postage And Courier	1,97,362	1,28,021
Printing And Stationery	4,17,253	8,63,341
Professional Charges	20,40,787	31,49,143
Property Tax	1,36,003	1,48,994
Repairs, Operation And Maintenance Charges	6,05,73,534	6,26,06,470
Roc Filing Fees & Stamp Duty Charges	60,753	55,851
Sundry Expenses And Charges (Not Classified)	5,14,961	13,66,461
Telephone, Fax, Etc.	5,05,261	9,96,903
Training Fees	29,233	1,95,272
Travelling And Conveyance	32,35,329	58,01,743
	<b>22,55,48,341</b>	<b>24,44,12,009</b>

**AAVANTIKA GAS LIMITED**  
**CIN : U40107MP2006PLC018684**

**NOTES FORMING PART OF THE ACCOUNTS:**

**Note-33** The Financial Results of the Company have been prepared in accordance with **Indian Accounting Standards (IND AS)** as prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued there under.

**Note-34 IND AS 116 Adoption :** Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the Company has not restated Comparative information.

**Note-35 Deferred Tax (Asset)/ Liability** **Amount in Rs.**

	<b>As at 31.03.2020</b>	<b>For the year 2020-21</b>	<b>As at 31.03.2021</b>
Depreciation	36,12,68,386	6,57,10,928	42,69,79,314
Retirement Benefits	-32,27,381	-9,56,521	-41,83,902
Carry Forward Losses	-		
Carry Forward Depreciation	-		
<b>Total deferred Tax Liability/ (Assets)</b>	<b>35,80,41,005</b>	<b>6,47,54,407</b>	<b>42,27,95,412</b>

**Note-36 Information as required to be given as per Schedule III of the Companies Acts given below:**

**Amount in Rs.**

	<b>2020-21</b>	<b>2019-20</b>
A Estimated Amount of Contracts remaining to be executed on Capital Account not provided for	46,39,38,764	51,65,06,332
B Claims Against the Company Not Acknowledged as Debt	NIL	NIL
C <b>Managerial Remuneration:</b> Salary and Allowances (Managing Director and Director-Commercial are on deputation from GAIL and HPCL respectively. The amount represents remuneration paid by GAIL/HPCL and debited to the company.)	1,61,91,540	1,40,12,097
D CIF Value of Imports during the Year	NIL	NIL
E Expenditure in Foreign Currency on account of participation in Exhibition	NIL	NIL
F Earning in Foreign Currency	NIL	NIL

**Note-37 Details of transactions with Related Parties during the year\*:** **Amount in Rs.**

<b>Nature of Transaction</b>	<b>2020-21</b>		<b>2019-20</b>	
	<b>HPCL</b>	<b>GAIL</b>	<b>HPCL</b>	<b>GAIL</b>
Manpower Cost of employees on deputation	1,35,86,276	95,92,473	1,45,50,976	88,91,174
Others reimbursement	1,43,790	0	3,75,319	NIL
Raw Material Purchased	93,32,337	92,65,82,818	NIL	1,41,41,63,187
Sale of CNG/PNG	34,13,44,921	NIL	54,56,08,663	45,759
Amount Payable (Net) as of 31.03.2021	-68,85,121	4,67,89,458	-2,88,12,156	3,18,39,226

Details of transactions with Key Managerial Persons during the year:

**Amount in Rs.**

<b>Nature of Transaction</b>	<b>2020-21</b>		<b>2019-20</b>		
	<b>Mr. H.K Srivastava</b>	<b>Mr. G.Parmar</b>	<b>Mr. H.K Srivastava</b>	<b>Mr. G.Paramr</b>	<b>Mr. V.Kannan</b>
Traveling & Conveyance	2,49,817	1,82,430	4,43,203	3,73,301	43,629
Other Reimbursements	28,701	25,818	27,466	4,69,993	21,071

**Note-38 Value of Raw Materials, Spare Parts and Components Consumed:**

	2020-21	2019-20
I Raw Materials		
-Imported (in%)	NIL	NIL
-Imported (Value in ₹)	NIL	NIL
-Indigenous (in%)	100	100
-Indigenous (Value in ₹)	23,69,19,046	53,01,80,410
I Spare Parts & Components		
-Imported (in%)	NIL	NIL
-Imported (Value in ₹)	NIL	NIL
-Indigenous (in%)	100	100
-Indigenous (Value in ₹)	33,73,237	12,47,952

**Note-39 Information for each class of goods purchased, sold and stocks during the year**

		Opening Stock		Purchase / Production		Sales / Consumption		Closing Stock	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
PNG	SCM	87,973	86,526	5,88,50,547	7,33,28,665	5,88,44,289	7,33,27,218	94,231	87,973
	Value in Rs.	26,59,670	24,25,589	82,05,45,024	1,24,47,91,540	82,04,57,772	1,24,47,66,977	28,46,660	26,59,670
CNG	KG	29,943	26,205	1,88,09,862	2,94,21,122	1,88,01,191	2,94,17,384	38,614	29,943
	Value in Rs.	7,55,429	6,57,266	23,69,19,046	53,01,80,410	91,94,05,515	1,44,39,34,088	9,74,166	7,55,429
Lubricant	Nos.	202	0	0	1,252	23	1,050	179	202
Sale	Value in Rs	27,250	0	0	1,54,189	3,144	1,35,179	24,798	27,250

**Note-40 Expenses before Assets Capitalization during the year pending allocation**
**Amount in Rs.**

Particulars	Opening Balance	Expense During the Year	Capitalized during year	Amount Includes in CWIP
Interest on term loan	2,45,67,356	2,74,19,503	1,87,28,491	3,32,58,368
Project Manpower cost	1,31,99,194	2,71,02,157	1,71,16,201	2,31,85,150
EPMC Fees	1,20,28,592	63,69,253	1,05,79,397	78,18,449
Warehouse Rent	23,32,696	35,96,318	25,21,520	34,07,495





Note 41 : Financial Instruments - Accounting Classification and fair values

(Amount in Rs.)

31, March 2021	FVTPL	FVTOCI	Carrying Amount		Fair Value		
			Cost/Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets measured at Fair Value:</b>	-	-	-	-	-	-	-
(i) Security Deposits with Others	-	-	-	-	-	-	-
-Security Deposit	-	-	-	-	-	-	-
(i) ROU Lease Asset	-	-	1,16,29,868	1,16,29,868	-	1,16,29,868	1,16,29,868
<b>Financial Assets not measured at Fair Value:</b>	-	-	-	-	-	-	-
Other Financial Assets:	-	-	-	-	-	-	-
(i) Deposits	-	-	-	-	-	-	-
-Bank Deposit	-	-	13,63,356	13,63,356	-	-	-
-Interest accrued on Term Deposit with Bank	-	-	6,50,213	6,50,213	-	-	-
Trade Receivables	-	-	-	-	-	-	-
Cash & Cash Equivalents	-	-	1,85,78,090	1,85,78,090	-	-	-
Bank Balance other than Cash and Cash Equivalents	-	-	11,81,66,958	11,81,66,958	-	-	-
<b>Total</b>	-	-	<b>13,87,58,618</b>	<b>13,87,58,618</b>	-	-	-
<b>31, March 2021</b>							
	FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets measured at Fair Value:</b>	-	-	-	-	-	-	-
Borrowings	-	-	85,39,56,656	85,39,56,656	-	85,39,56,656	85,39,56,656
ROU Lease Liability	-	-	38,98,263	38,98,263	-	38,98,263	38,98,263
<b>Financial Liabilities not measured at Fair Value:</b>	-	-	-	-	-	-	-
Trade Payables	-	-	10,59,92,232	10,59,92,232	-	-	-
Other Financial Liabilities	-	-	41,05,42,951	41,05,42,951	-	-	-
<b>Total</b>	-	-	<b>1,37,43,90,103</b>	<b>1,37,43,90,103</b>	-	<b>85,78,54,919</b>	<b>85,78,54,919</b>
<b>31, March 2020</b>							
	FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets measured at Fair Value:</b>	-	-	-	-	-	-	-
(i) Security Deposits with Others	-	-	-	-	-	-	-
(i) ROU Lease Asset	-	-	1,73,03,668	1,73,03,668	-	1,73,03,668.00	1,73,03,668.00
<b>Financial Assets not measured at Fair Value:</b>	-	-	-	-	-	-	-
Other Financial Assets:	-	-	-	-	-	-	-
(i) Deposits	-	-	-	-	-	-	-
-Bank Deposit	-	-	12,58,265	12,58,265	-	-	-
-Interest accrued on Term Deposit with Bank	-	-	7,37,011	7,37,011	-	-	-
Trade Receivables	-	-	-	-	-	-	-
Cash & Cash Equivalents	-	-	1,64,12,170	1,64,12,170	-	-	-
Bank Balance other than Cash and Cash Equivalents	-	-	11,47,94,582	11,47,94,582	-	-	-
<b>Total</b>	-	-	<b>13,32,02,029</b>	<b>13,32,02,029</b>	-	-	-
<b>31, March 2020</b>							
	FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets measured at Fair Value:</b>	-	-	-	-	-	-	-
Borrowings	-	-	1,01,39,74,446	1,01,39,74,446	-	1,01,39,74,446	1,01,39,74,446
ROU Lease Liability	-	-	69,19,016	69,19,016	-	69,19,016	69,19,016
<b>Financial Liabilities not measured at Fair Value:</b>	-	-	-	-	-	-	-
Trade Payables	-	-	6,48,63,181	6,48,63,181	-	-	-
Other Financial Liabilities	-	-	51,99,10,701	51,99,10,701	-	-	-
<b>Total</b>	-	-	<b>1,60,56,67,344</b>	<b>1,60,56,67,344</b>	-	<b>1,02,08,93,462</b>	<b>1,02,08,93,462</b>

**Note 42 : Employee Benefit Expenses**
**Gratuity:**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>A. Amount recognized in Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(55,96,847)	(46,55,684)
Fair Value of Plan Assets at the end of the Period	-	-
(Surplus/ (Deficit))	(55,96,847)	(46,55,684)
Current Liability	1,75,037	59,985
Non-Current Liability	54,21,810	45,95,699
Unrecognised Past Service Cost/(Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	<b>(55,96,847)</b>	<b>(46,55,684)</b>

Particulars	As at 31.03.2021	As at 31.03.2020
<b>B. Amount recognized in the Statement of Profit &amp; Loss as Employee Benefit Expense</b>		
Current Service Cost	14,10,443	6,01,264
Net Interest Cost	2,95,588	1,36,242
Expected Return on Plan Assets	-	-
Actuarial (Gain)\Loss recognised in period	(21,260)	22,30,740
Past Service Cost	-	-
Benefits paid	(7,43,608)	(1,18,501)
(Gain)/ Loss due to Settlements/Curtailments/Acquisitions/Divestitures	(21,260)	22,30,740
Unrecognised Asset due to Limit in Para 64(b)	-	-
Expense Recognized	9,44,326	28,49,745

Particulars	As at 31.03.2021	As at 31.03.2020
<b>C. Amount recognized in Other Comprehensive Income for the Current Period</b>		
Amount Recognized in OCI, Beginning of the Period	-	-
Remeasurements Due To:-		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(21,260)	22,30,740
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-
Return on Plan Asset (Excluding Interest)	-	-
Total remeasurements Recognised in OCI	(21,260)	22,30,740
Amount Recognized in OCI, End of the Period	(21,260)	22,30,740

Particulars	As at 31.03.2021	As at 31.03.2020
<b>D. Table showing Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the beginning of the period	46,55,684	18,05,939
Interest Cost	14,10,443	1,36,242



Current Service Cost	2,95,588	6,01,264
Actual Benefits Paid	(7,43,608)	(1,18,501)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(21,260)	22,30,740
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-
Past Service Cost		
Present Value of Benefit Obligation at the end of the period	55,96,847	46,55,684

Particulars	As at 31.03.2021	As at 31.03.2020
<b>E. Table showing Change in the Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the period	-	-
Interest Income	-	-
Actual Enterprises Contribution	-	-
Actual Benefits Paid	-	-
Actuarial (Gains)/Losses	-	-
Present Value of Benefit Obligation at the end of the period	-	-

Particulars	As at 31.03.2021	As at 31.03.2020
<b>F. Assumptions</b>		
<b>Financial Assumptions</b>		
Discount Rate	6.80%	6.90%
Salary Escalation Rate	8.50%	8.50%
Expected Return on Asset	0.00%	0.00%
Expected Average remaining working lives of employees (in years)	14.31*	14.39*
<b>Demographic Assumptions</b>		
Withdrawal rate	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) ult	Indian Assured Lives Mortality (2012-14) ult

\*It is actuarially calculated term of the plan using probabilities of death, withdrawal and retirement.

#### Leave Encashment

Particulars	As at 31.03.2021	As at 31.03.2020
<b>A. Amount recognized in Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(87,70,950)	(64,27,355)
Fair Value of Plan Assets at the end of the Period	-	-
(Surplus/ (Deficit))	(87,70,950)	(64,27,355)
Current Liability	6,19,891	3,79,088
Non-Current Liability	(81,51,059)	60,48,267
Unrecognised Past Service Cost/(Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(87,70,950)	(64,27,355)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>B. Amount recognized in the Statement of Profit &amp; Loss as Leave Encashment</b>		
Expense Recognized	31,73,135	30,34,031

Particulars	As at 31.03.2021	As at 31.03.2020
<b>C. Assumptions</b>		
<b>Financial Assumptions</b>		
Discount Rate	6.90%	6.90%
Salary Escalation Rate	8.50%	8.50%
Expected Return on Asset	0.00%	0.00%
Expected Average remaining working lives of employees (in years)	14.31*	14.39*
<b>Demographic Assumptions</b>		
Withdrawal rate	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) ult	Indian Assured Lives Mortality (2012-14) ult

\*It is actuarially calculated term of the plan using probabilities of death, withdrawal and retirement.

#### Note 43 : Earnings per share

Particulars	As at 31.03.2021	As at 31.03.2020
Net profit attributable to Shareholders in `	42,80,41,661	41,89,27,859
Weighted average number of equity shares (No.)	5,91,22,326	5,91,22,326
Nominal value per share	10	10
<b>Basic earnings per share of Rs. 10 each</b>	<b>7.24</b>	<b>7.09</b>

The Company does not have any outstanding dilutive potential equity shares.

Consequently, the basic and diluted earnings per share of the Company remain the same.

#### Note 44 : Capital Management

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

Particulars	As at 31.03.2021	As at 31.03.2020
Total Liabilities	2,13,11,94,166	2,20,04,55,066
less: Cash and cash equivalents	14,87,66,626	6,24,47,163
Adjusted Net Debt	1,98,24,27,540	2,13,80,07,903
Total Equity	2,73,23,33,166	2,33,93,06,298
<b>Adjusted Net Debt to Equity Ratio</b>	<b>0.73</b>	<b>0.91</b>


**Note-45 Dividend**

Particulars	2020-21	2019-20
<b>(i) Dividend Paid during the year</b>		
Final Dividend for the year ended 31.03.2020 of Rs. 0.60 per shares (31.03.2019 of Rs. 0.40 per shares) on 59122326 shares	3,54,73,395.60	2,36,48,930.40
Dividend distribution tax on above	-	48,61,108.00
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
Since year end the directors have recommended the payment of a final dividend for the year end 31.03.2021 of Rs. Nil per share (31.03.2020 – Rs. 0.60). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	3,54,73,395.60
Dividend Distribution tax on above	-	-

**Note-46 Segmental Reporting:** The Company operates in a singly segment of Natural Gas business in the M.P State region and therefore the disclosure requirements as per IND AS 108 "Operating Segment" are not applicable to the Company.

**Note-47 Contingent Liability:**

The Company has given Bank Guarantees for the total amount of Rs. 10,00,00,000/- to PNGRB for CGD authorization & Rs. 38,00,000/- to Municipal authorities for permission for pipeline laying.

Demand of Excise duty of Rs.63,41,568/- was raised by Joint Commissioner CGST & Central Excise for the year 2014-15 to 2018-19. Appeal was filed to Commissioner (Appeal) CGST & Central Excise after depositing 7.50% of the demand amount i.e. Rs.4,75,618/-. Commissioner (Appeal) reduced the demand liability to Rs. 19,43,165/-. Appeal against the order of Commissioner is filed to CESTAT, New Delhi.

Demand of MP VAT of Rs.33,18,800/- was raised by Deputy Commissioner, Commercial Tax for the year 2016-17. Mandatory 10% of the demand amount i.e. Rs. 3,31,880/- is deposited and Appeal against the order is filed to Commissioner Commercial Tax.

**Note-48 Impact of COVID 19 :** The company has considered the possible effect that may result from the pandemic relating to COVID-19 on the carrying amount of its assets such as trade receivable, inventories etc. The company has considered internal & external information upto the date of approval of the financial results. The company has performed sensitivity analysis on the assumption using the internal & external information / indicators of future economic condition and expect to recover the carrying amount of the assets. There is No impact on company going concern.

**Note-49** Management has made an assessment on the impairment of assets and observed that there are no assets whose value got impaired.

**Note-50** Year - end balances of receivable/payable are subject to confirmation/reconciliation.

**Note-51** All figures are in Rupee. Figures have been rounded off to nearest rupee.

**Note-52** Figures of previous year have been reclassified /regrouped and shown in bracket where ever required.

**As Per Our Report of Even Date**
**For and on behalf of the Board**

**For Arora Banthia & Tulsyan**  
Chartered Accountants  
Firm Reg. No. 007028C

Sd/-  
**Vishal Bhatia**  
(Partner)  
Membership No. 404411  
UDIN: 21404411AAAACG1519

Sd/-  
**H.K.Srivastava**  
(Managing Director)  
DIN : 07855541

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

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

Place : Indore  
Date : 07.05.2021

Place : Indore  
Date : 07.05.2021



# Green Energy Clean Energy



**AAVANTIKA GAS LIMITED**

A Joint Venture Company of GAIL & HPCL

CIN: U40107MP2006PLC018684

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

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