



Tripura Natural Gas Company Limited

(A joint venture of GAIL (India) Ltd. , Govt. of Tripura & Govt. of Assam)

ANNUAL REPORT 2023-24





VISION STATEMENT

To make TNGCL as a key energy provider, by connecting CNG & PNG network in the state of Tripura, Manipur and Mizoram by providing eco-friendly and clean fuel to transport, domestic, commercial and industrial sectors with a total commitment of safeguarding the interest of the community, Customers Satisfaction, Value Creation for all Stakeholders and Environmental Responsibility



MISSION STATEMENT



Provide eco-friendly and clean fuel with uninterrupted gas supply to our valued customers with a total commitment to create high standard of business ethics and values adhering all the safety standards to create a safe & Healthy environment.



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Chairman's Message

It is a great privilege for me to be the Chairman of Tripura Natural Gas Company Ltd. The responsibility cast on me assumes more significance so much so in heading a Joint Venture between GAIL (India) Ltd, Tripura Industrial Development Corporation Ltd. (A Govt. of Tripura Undertaking) and Assam Gas Company Ltd (A Govt. of Assam Undertaking). TNGCL is maintaining a sound financial performance over the years and paying regular dividend to Stakeholder. A committed Board of Directors, vibrant management and dedicated young team are in the threshold of unleashing the vast potential in Natural Gas transportation business in our country. Having been closely associated with the petroleum sector I have noted the tremendous opportunity in the Gas value chain. We have the vision to be a growth oriented energy company dedicated towards enhancing stakeholder value and customer delight through operational excellence and contributing towards a safe and clean eco system. This shall be the mission with which all in TNGCL should be working. The task, of course is daunting. But the kind of talent among our pool of Officers and staff, the record of accomplishments so far and with continued dedication by all concerned will certainly enable us to achieve our cherished goals.

**Sd/
Gokul Chandra Swargiyari
Chairman**

Board of Directors



Smt. Vishwasree B, IAS
Director



Sh. Gokul Chandra Swargiyari
Chairman



Sh. Sanjeev Kumar
Director



Sh. Pralay Patra
Managing Director



Sh. Suresh Ch. Reang
Director (Commercial)

Key Managerial Persons



Sh. Pradeep Kr. Mahato
Company Secretary



Sh. Subrata Debnath
Chief Financial Officer

**Statutory Auditor**

M/s D Das & Kamaluddin
Chartered Accountants
Agartala, West Tripura-799001

Secretarial Auditor

M/s Biman Debnath & Associates
Company Secretaries
Guwahati-Assam-781005

Cost Auditor

M/s Mani & Co.
Cost Accountant
Kolkata, West Bengal-700029

Internal Auditor

M/s A.K Pal & Associates
Chartered Accountants
Agartala, West Tripura-799001

Registrar Transfer Agent

M/s Alankit Assignments Limited

Depository

NSDL

Registered Office

Shilpa Nigam Bhawan,
Khejur Bagan, Kunjaban
Agartala, Tripura -799006
Website: www.tngclonline.com
Email ID: tngcl@tngclonline.com



DIRECTORS' REPORT





DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 34th Director's Report and the Company's audited Financial Statement for the Financial year ended March 31, 2024.

TRIPURA NATURAL GAS COMPANY LIMITED (TNGCL) established on 10th July 1990, is a Joint Venture between GAIL (India) Ltd, Tripura Industrial Development Corporation Ltd. (A Govt. of Tripura Undertaking) and Assam Gas Company Ltd (A Govt. of Assam Undertaking).

Tripura Natural Gas Company Limited is engaged in providing Natural Gas as an eco-friendly, easy-on pocket source of fuel to Domestic, Commercial, Industrial and Automobile segments in the state of Tripura. Since 1990, TNGCL has been consistent in creating robust CGD infrastructure in and around the capital city of Agartala, Gomati and West Tripura Districts in the state of Tripura and now TNGCL is going to expand its business in the state of Manipur and Mizoram.

The Financial Performance of the Company for the period ended 31-03-2024 is summarized below:

Particulars	Previous FY 2022-23	Current FY 2023-24	Percentage Increase / (Decrease)
Sales of Gas-CNG	174.76	194.26	11.16%
Sales of Gas-PNG	88.83	87.96	- 0.99%
Revenue from Operations	263.59	282.22	7.07%
Other Income	8.46	10.24	21.08%
Total Revenue/Turnover	272.05	292.46	7.50%
Profit After Tax (PAT)	20.25	40.91	102.01%
PAT (%)	7.44%	13.99%	
Profit Before Tax (PBT)	29.58	48.92	65.37%
PBT (%)	10.87%	16.73%	
EBITDA	50.08	68.20	36.20%
EBITDA (%)	18.41%	23.32%	
Shareholder's Equity:			
Equity Share Capital-Paid up	30.00	30.00	
Reserves & Surplus	167.10	206.10	
Shareholders' Equity/Net Worth	197.10	236.10	19.79%
EPS	67.51	136.37	102.01%
Current Assets	127.28	152.66	
Current Liabilities	21.05	18.49	
Working Capital	106.23	108.78	26.30%
Fixed Assets (Net)	136.31	125.21	-8.14%

For the Current FY-2023-24, the Company has achieved increase in Turnover by 7.50% and increase in PAT by 102.01% compared to the last FY-2022-23.

Other Achievements of the Company are as follows

Table B. Sales Volume

₹ in SCMI

Year/ Sector	Sales Volume -% age-Increase/Decrease				CNG Sales	Total Sales
	Domestic	Commercial	Industrial	Total PNG	CNG	Total
2023-24	1,79,08,086	35,58,486	72,97,758	2,87,64,330	3,59,68,209	6,47,32,539
2022-23	1,63,76,330	30,36,247	72,10,084	2,66,22,661	3,32,85,588	5,99,08,248
Increase/ (Decrease)	15,31,756	5,22,239	87,674	21,41,669	26,82,621	48,24,291
% age Inc / (Dec)	9.35%	17.20%	1.22%	8.04%	8.06%	8.05%

The Company has achieved increase in CNG Sales volume by 8.06% and increase in PNG Sales Volume by 8.04% and overall growth in Sales volume by 8.05% for the financial year 2023-24 compared to the previous financial year 2022-23.

SUMMARIZED CASH FLOW STATEMENT:

(in lakh)

Cash Flows:	2022-23 (Rs.)	2023-24 (Rs.)
Inflow/(Outflow) from operations	1680.64	614.66
Inflow/(Outflow) from investing activities	(1739.15)	(2148.03)
Inflow/(Outflow) from financing activities	(1143.1)	(667.80)
Cash and Cash equivalents	3584.35	2382.74
Net Increase/(decrease) in cash & cash equivalent	2382.74	181.57

PERFORMANCE HIGHLIGHTS:

TNGCL has completed its three decades of eventful journey, starting with a humble beginning in 1990, your company today is considered as the fastest growing CGD Entity in entire Eastern India.

Your Company grew organically over the years by building substantial network of Natural Gas pipeline having a total of 1501 Km of interlinked PE pipelines and 11.86 Km of Steel Pipeline to cater to entire city of Agartala, rest of West Tripura and Gomati Tripura.

With joining of GAIL in 2005 as a major stakeholder, TNGCL has grown phenomenally, creating robust CNG infrastructure. With just one CNG station in 2007, now TNGCL has total 34 (Thirty-Four) CNG stations by adding 1 (one) CNG station this financial year for clean air to the environment and adding value to the ecology & future generation.



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SHARE CAPITAL:

The Authorized Share Capital of the Company is Rs. 30 Crores and the paid-up share capital of the Company is also Rs. 30 Crores,

DETAILS REGARDING THE MATERIAL CHANGES THAT OCCURRED DURING THE PERIOD

IN THE COMPANY:

For the Financial Year-2023-24, the Statement of Accounts has been prepared as per Indian Accounting Standard (IND AS) and was submitted to the Statutory Auditor for audit. The Statutory Audit has been completed and Supplementary Audit by CAG has been completed and final comments of the CAG received and the same enclosed with the Annual Accounts.

DIVIDEND

The Functional management is going to place the agenda for recommendation of dividend @7.5% on net profit after tax as per audited financial statements for the financial year 2023-24 to all the shareholder subject to approval in upcoming 34th AGM.

GOVT. AUDIT REVIEW

As required under section 139(5) of the Companies Act, 2013, the Comments of the Comptroller and Auditor General of India (C&AG) on the Annual Accounts of the Company for the year ended on 31st March, 2024 received.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

PNG BUSINESS:

Your Company has registered substantial growth in its PNG business. This growth is contributed by incorporating newer areas under PNG coverage thus adding 3005 new domestic consumers during the FY-2023-24.



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TNGCL has identified new areas within the authorized Geographical Areas where PNG connectivity is technically feasible and has laid mainline network which is envisaged to bring in more consumers. With scarcity of LPG Cylinders and demand supply gap, PNG has become preferred choice for consumers TNGCL is tirelessly working to provide more PNG connection so that LPG can be freed for further distribution at much needed rural areas.

Financial Year	Number of Domestic Connections
2015-16	22615
2016-17	28669
2017-18	34741
2018-19	39743
2019-20	44764
2020-21	49113
2021-22	54124
2022-23	59131
2023-24	62136

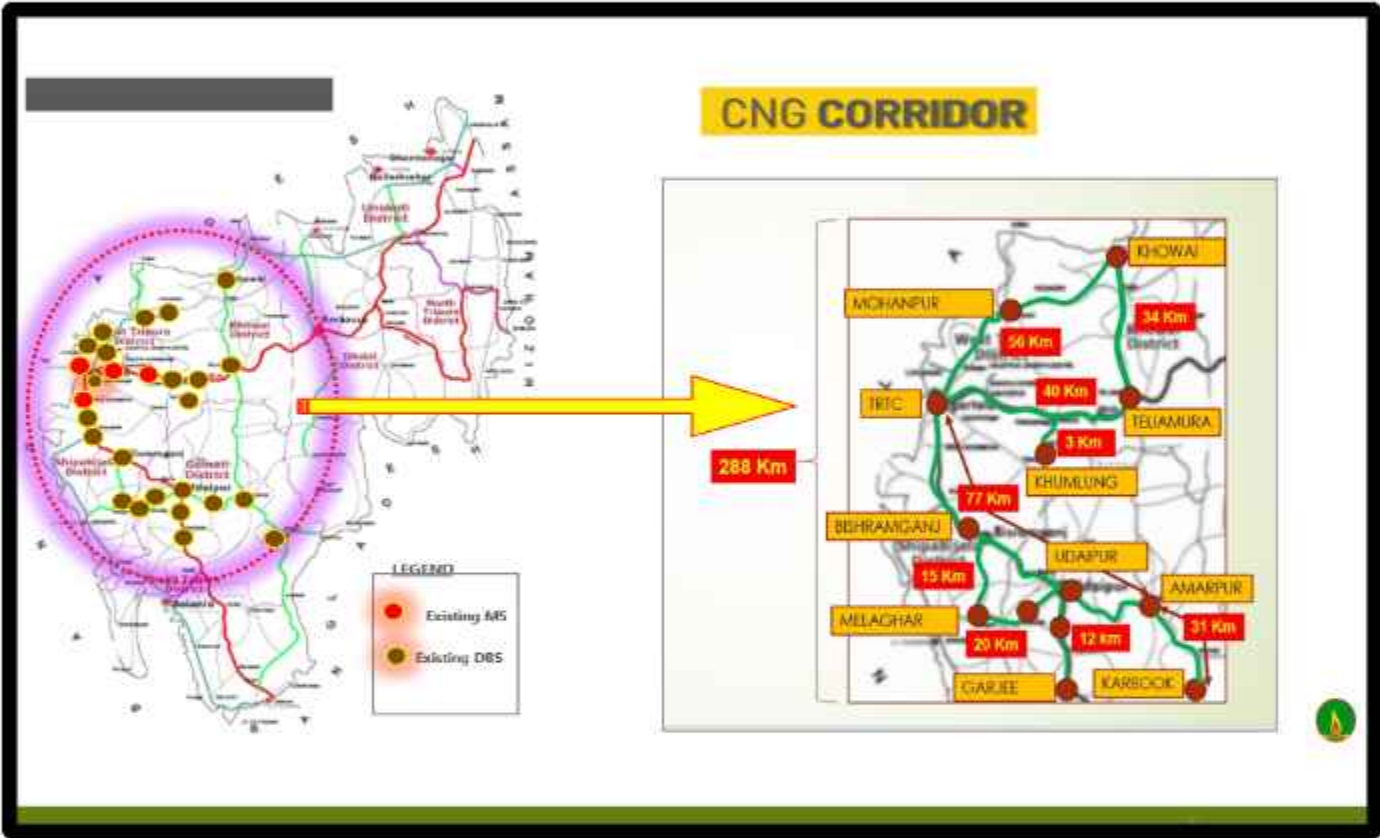
COMMERCIAL PNG: TNGCL has been able to create consumer loyalty when it comes to the choice of using PNG for commercial purposes. Over the years, PNG supplied by TNGCL has become the No. 1 choice for small time entrepreneurs and commercial units as preferred fuel which not only gives value for money and readily availability but also adds to a cleaner environment. Up to FY 2023-24, total number of commercial connections to 512.

Financial Year	Number of Commercial Connections
2015-16	322
2016-17	366
2017-18	415
2018-19	415
2019-20	430
2020-21	491
2021-22	497
2022-23	506
2023-24	512

INDUSTRIAL PNG: TNGCL has been instrumental in ensuring fuel sufficiency for Industrial units in and around the city of Agartala including Industrial Growth center at Bodhjungnagar. The Company is supplying round-the-clock PNG services to 48 industrial units.

CNG BUSINESS: TNGCL has already commissioned 34 nos. of CNG stations for greener and economical fuel in the state of Tripura and is supplying CNG to the Automobile Sectors through its dedicated 05 Mother CNG Stations and 28 Daughter Booster Stations where CNG is transported through LCVs meeting the demand of almost 50,000 nos Vehicles every day.

The Company have succeeded in creating CNG corridor of around 288 km



The CNG Sales of the Company has increased from 42,593 kg per day to 69,397 kg per day in the last 05 years as tabulated below

Financial Year	CNG Sales (KG/ day)
2018-19	42593
2019-20	45773
2020-21	42952
2021-22	55511
2022-23	64237
2023-24	69397



PHYSICAL INFRASTRUCTURE:

The Company has opened more areas under PNG Network within Agartala GA, thereby covering almost 85% of the city. During 2023-24, TNGCL has been able to lay a total of 1501 KM of MDPE pipeline within the city area while providing PNG connections

Financial Year	Total Length of MDPE Pipeline (KM)	Increase YOY (KM)
2015-16	622.00	-
2016-17	747.47	125.47
2017-18	796.05	48.58
2018-19	836.06	40.01
2019-20	876.23	40.17
2020-21	880.60	4.37
2021-22	1209.20	328.60
2022-23	1434.4	225.20
2023-24	1501	66.6
Growth in Physical Infrastructure		

INTERNAL CONTROL SYSTEM AND ADEQUACY:

TNGCL has inter-departmental feedback mechanism in place making the operations flexible. Again, usage and adoption of newer technologies in meter reading is making the system more robust.



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HUMAN CAPITAL:

Total Number of TNGCL Employees

Executive = 12 nos.

Non- executive = 03 nos.

TOTAL employees = 15 Nos.

SAFETY

HSE: During the year 2023-24, the Company has been proactive in implementing HSE policy. Safety drills are organized frequently to keep all concerned ready for any eventuality. There have been zero reportable incidences this year, once again proving the safety consciousness of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year 2023-24, the Company has undertaken major CSR activities as per CSR guideline and commitment of the Company and the Management has spent Rs 65,24,638/- in CSR activities under section 135 of Companies Act, 2013. Detailed Annexure- I.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance. The report on Corporate Governance forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses or some material weakness in the design or operation were observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Since the Board comprised of the following members:-

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Shri Gokul Chandra Swargiyari	Chairman & Director	30.09.2019	-
2	Shri Goutam Chakraborty, ED (CGD),	Chairman & Director	14.01.2021	04.05.2023
3	Shri A Anbarasan	Managing Director	21.06.2021	14.06.2024
4	Shri S.C. Reang	Director (Commercial)	01.04.2023	-
5	Shri Nabadal Banik	Chairman & Director	13.04.2023	08.12.2023
6	Shri Sanjeev Kumar	Director	04.05.2023	-
7	Smt. Vishwasree B., IAS	Director	08.12.2023	-
8	Shri Pralay Patra	Managing Director	15.06.2024	-

The Board places on record its deep appreciation for the valuable contribution made by Goutam Chakraborty, ED (CGD), GAIL during his tenure as Chairman (14.01.2021 to 01.10.2021) and being Director of the Company who demitted office with effect from effective 04.05.2023.

The Board places on record its deep appreciation for the valuable contribution made by Shri Nabadal Banik, Chairman, TIDCL during his tenure as Chairman (13.04.2023 to 09.11.2023) and being Director of the Company who demitted office with effect from effective 08.12.2023.

The Board welcomed and noted the nomination of Shri Gokul Chandra Swargiyari, as Director in Board (30.09.2019 to 30.11.2023) and AGCL has nominated Shri Gokul Chandra Swargiyari as Hon'ble Chairman of the Board of TNGCL w.e.f. 30.11.2023.

The Board welcomed and noted the appointment of Shri S.C. Reang, DGM (CGD-Project), GAIL as Director (Commercial) in the Board of TNGCL w.e.f. 01.04.2023.

The Board welcomed and noted the nomination/appointment of Shri Sanjeev Kumar, CGM (R&D Startup & Renew), GAIL as Director in the Board of TNGCL w.e.f. 04.05.2023.

The Board welcomed and noted the nomination/appointment of Smt. Vishwasree B., IAS, TIDCL as Director in the Board of TNGCL w.e.f. 08.12.2023.

The Board places on record its deep appreciation for the valuable contribution made by Shri A. Anbarasan, Managing Director of the Company during his tenure, who demitted office with effect from 14.06.2024.

The Board welcomed and noted the nomination/appointment of Shri Pralay Patra, GM, GAIL as Managing Director in the Board of TNGCL w.e.f. 15.06.2024.

Attendance of each Director at Board Meeting

Sl. No.	Name	Total meetings held	Meetings attended
1	Shri Nabadal Banik	5	5
2	Shri A. Anbarasan	7	7
3	S.C. Reang	7	7
4	Shri Gokul Chandra Swargiyari,	7	4
5	Shri Goutam Chakraborty	1	1
6	Shri Sanjeev kumar	6	5
7	Smt. Vishwasree B., IAS	2	1

MEETINGS OF THE BOARD:

Seven meetings of the Board of Directors were held during the year. Details of the Board Meeting has been given below-

Number of Board Meetings held and dates on which held:

No. of Board meeting	Date	Place
119 th	26.04.2023	Agartala
120 th	27.07.2023	Agartala
121 st	22.08.2023	Agartala
122 nd	25.09.2023	Agartala
123 rd	09.11.2023	Agartala
124 th	05.01.2024	Shillong
125 th	12.03.2024	Agartala

BOARD EVALUATION:

As per the MCA Notification No. GSR 463(E) dated 5th June, 2015, provisions of section 134(3)(p) shall not apply, in case the Directors are evaluated by the Ministry, which is administratively in charge of the Company as per its own evaluation methodology. As TNGCL is subsidiary and Government Company, disclosure requirement in respect of Board evaluation process is not applicable to the Company.



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INDEPENDENT DIRECTORS:

The provisions of the section 149 of the companies Act, 2013 regarding the appointment of Independent Director is not applicable to the Company as the Company does not fall under the class of Companies required to appoint Independent Director. However, as the Company is the Subsidiary, Joint Venture & Government Company all the appointments are made by the Promoters. In view of the same the Company has not taken initiative for the same.

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company is annexed herewith as Annexure -II to this Report in the form MGT-9 as per the Companies Act, 2013.

AUDITORS AND AUDITORS` REPORT

STATUTORY AUDITORS

TNGCL is a Joint Venture Company & thus required to get its A/C's Audited by an Auditor duly nominated by CAG. For the FY-2023-24, CAG has nominated and Shareholders and the Board appointed, M/s D Das & Kamaluddin, Chartered Accountants, Agartala.

Board of Director fixed the remuneration fees of Rs. 1,60,000 (Rupees one Lac sixty thousand only) excluding GST and Rs.70,000 per quarter excluding GST.

For the Financial Year-2023-24, the Statement of Accounts has been prepared as per Indian Accounting Standard (IND AS) and was submitted to the Statutory Auditor. The Statutory Auditor has been completed and the Audited Statement of Accounts has been submitted to CAG as Annexure -III.

INDEPENDENT AUDITOR:

Since the Company is a Subsidiary & Government Company, the Independent Auditor is nominated by the Comptroller and Auditor General of India (C & AG) as per Section 139(5) of the Companies Act, 2013.

For Financial year 2024-25, CAG has not yet nominated/recommended the Statutory Auditor of the Company. Once CAG recommends the Statutory Auditor for Financial Year 2024-25, the same shall be placed before shareholders at 34th Annual General Meeting to decide and fix the remuneration of the Statutory Auditor.



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AUDIT OBSERVATION:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and enclosed along with financial statement.

SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s Biman Debnath & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit report has been submitted and enclosed as Annexure-IV.

COST AUDITOR:

Pursuant to provisions of Section 148(3) of the Companies Act, 2013, the Company has appointed M/s Mani & Co., Cost Accountants on in its 121st Board Meeting as Cost Auditor to prepare and submit the Cost Audit Report with the Ministry of Corporate Affairs for the 2023-24. The Cost Audit report of the Company duly has already been filed.

INTERNAL AUDIT:

The Internal Audit is carried out by a reputed external firm of Chartered Accountants. M/s A.K.Pal & Associates, Agartala has conducted the Internal Audit of the Company for the Financial Year 2023-24.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENT U/S 186:

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

DISCLOSURES:

CSR Committee

CSR Committee consists of the following members as approved by the Board:

- 1.Managing Director- Chairman
- 2.Director (Commercial)- Member
- 3.Managing Director of TIDCL/Director nominated by AGCL in Board of TNGCL- Member.



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PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the Financial Year with Related Parties were in the ordinary course of business and on an arm's length basis. Relevant information is placed in Financial statement.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

For the Financial Year-2023-24, the Statement of Accounts has been prepared as per Indian Accounting Standard (IND AS) and was submitted to the Statutory Auditor for audit. The Statutory Audit has been completed and the Final Comments of CAG is yet to receive. There were no such material changes and commitments in the Company which could affect the financial position from the date of the financial statements of the Company for the Financial Year 2023-24 till the date of signing this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Your Company has always been taking proper steps for the conservation of energy keeping in mind the fact regarding the scarcity of energy in Country.

Your Company has also been trying to keep itself technologically updated from time to time.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, there have been no transactions affecting the direct foreign exchange earnings and outgo of the Company.

Company's Policy relating to Director's Appointment, Payment of Remuneration and Discharge of their Duties:

As per JVA, Article of Associations of the Company, GAIL is to nominate 3 Directors and AGCL and TIDC one each in the board of TNGCL. Managing Director and Director (Commercial)-2 whole time Executive Directors are to be nominated by GAIL on Secondment basis. Others are Non- Executive Directors. Chairman will be the whole time Director of GAIL and Chairman of AGCL and TIDC on 2 years rotation basis.

INDUSTRIAL RELATIONS:

Industrial relations were cordial and harmonious throughout 2023-24.



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BUSINESS RISK MANAGEMENT:

The Company is taking appropriate steps for the reduction of risk at every level of operation of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

NOMINATION & REMUNERATION COMMITTEE POLICY:

As the provisions of section 178 of the Companies Act, 2013 is not applicable to the Company, the Company has not taken any steps for the formation of the same. However, the Board is taking advice and consultation from the Statutory Auditor of the Company from time to time as and when required regarding the same.

DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM:

Chief Vigilance Officer of GAIL (India) Limited has been entrusted to look after Vigilance function of TNGCL. Accordingly, your company complies with the periodic reporting required under vigilance mechanism. The Company has a Whistle Blower Policy whereby stakeholders can raise concerns to the competent authority in case they observe any unethical behaviour and corrupt practices. Necessary safeguards for the protection of the whistleblowers from reprisals or victimization is also ensured.

To ensure transparency, equity and competitiveness in public procurement, your company has adopted Integrity Pact (IP) in its tenders having an estimated value 1.0 Crore and above. For implementation of IP, your company has appointed Independent External Monitors (IEM) as per recommendation given by Central Vigilance Commission (CVC).

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Policy on Prevention of Sexual Harassment of Women at Workplace is in place. Your company taking the necessary steps to constitute Internal Complaint Committee (ICC) under provision of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013. There were no cases reported for Sexual Harassment of Women at Workplace during the Financial Year 2023-24.



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FRAUD PREVENTION POLICY:

The Fraud Prevention Policy is in place. To ensure that Management is aware of its responsibilities for detection & prevention of fraud and for establishing procedures for preventing fraud and/ or detecting fraud whenever it occurs, to provide a clear guidance to employees and others dealing with TNGCL forbidding them from carrying on such activities where they suspect any fraudulent activity has arisen and the action to be taken by them where they suspect any fraudulent activity and other actions as proposed by the committee.

The policy will apply to any fraud or suspected fraud involving TNGCL employees (all full time, part time or appointed on ad-hoc/ temporary / contract basis), employees in TNGCL on secondment basis from other Companies as well as representatives of vendors, suppliers, contractors, consultants, lenders, service providers or any outside agency(ies) doing any type of business with TNGCL.

GENERAL DISCLOSURES:

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. 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.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134 of the Companies Act, 2013, the Directors of Tripura Natural Gas Company Limited confirms that:

a) In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) The Directors 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 as at March 31, 2024 and of the profit of the Company for the year ended on that date;



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c)The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d)The Directors have prepared the annual accounts on a `going concern` basis;

e)The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f)The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT:

Your Directors express their gratitude to the Ministry of Petroleum and Natural Gas, Petroleum and Natural Gas Regulatory Board, State Government of Tripura and the Promoter Companies (GAIL, TIDC, AGCL) for their continuous patronage throughout the year.

The Directors also acknowledge the support of all Statutory & local authorities, Bankers, Media, Contractors, Vendor and Suppliers.

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

The Directors wish to express their gratitude to all the shareholders for their continued trust and support.

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

sd/
Gokul Chandra Swargiyari
(CHAIRMAN)

Date:
Place: Agartala



CSR ACTIVITIES



**1. BRIEF OUTLINE OF CSR POLICY AND PROJECTS OR PROPOSED PROGRAMMES TO BE UNDERTAKEN.**

Your Company being a socially responsible and environment friendly organization has always strived for creation of value in the society & community where it is carrying out its operations through meaningful & sustainable CSR initiatives. In terms of the provisions of Section 135 and CSR rules therein, CSR policy has been framed covering major thrust areas as mentioned in Schedule VII of the Companies Act, 2013.

2. CSR COMMITTEE OF BOARD

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, the CSR Committee of the Board comprises of Managing Director- Chairman, Director (Commercial)- Member and Managing Director of TIDCL/Director nominated by AGCL in Board of TNGCL- Member as members in CSR committee. Based on the 2% of the average of the net profits made during the 3 immediately preceding years, Rs 65,24,638/- was available for taking up CSR projects in FY 2023-24, as per the provisions of the Companies Act, 2013 and various projects outlined in Schedule VII of the Companies Act, 2013.

3. AVERAGE NET PROFIT FOR LAST THREE FINANCIAL YEARS Year Net Profits.

Finance has confirmed the following fund availability for FY 2023-24, accumulated two per cent. of the average net profits of the company made during the three immediately preceding financial years

Profit of FY (PBT) 2020-21-	Rs. 30,78,04,990
Profit of FY(PBT) 2021-22-	Rs. 37,50,56,959
Profit of FY(PBT) 2022-23-	Rs. 29,58,33,705
Total	Rs. 97,86,95,654
3 years average PBT	Rs. 32,62,31,885

2% of Average Net Profit (PBT) of preceding 03 financial years is Rs. 65,24,638

2% of Average Net profit (PBT) of preceding 3 financial years for CSR is as per the provisions of the Companies Act, 2013 is Rs 65,24,638/- available for CSR activities for FY 2023-24.

4. PRESCRIBED CSR EXPENDITURE (TWO PERCENT OF THE AMOUNT AS IN ITEM 3)

The prescribed CSR expenditure for FY 2023-24 as per provisions of Companies Act, 2013 was Rs 65,24,638/-.

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5. DETAILS OF CSR SPENDS DURING THE FINANCIAL YEAR

Total amount spent in the Financial Year 2023-24 is Rs 65,24,638/-.

Amount unspent during Financial Year 2023-24, if any - : NIL/-

6. Manner in which the amount spent during the Financial Year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or program 1. Local area 2. Specify the state and district	Amount outlay (Budget) project or program wise.	Amount spent on the project or program	Cumulative expenditure upto to the reporting period	Amount Spent Direct or Implementing Authority
1	M/s Vivekananda Sishuniketan, Bishalgarh Sepahijala, Tripura, providing Iron Removal Plant and 10 Nos Desktop Computer System	Eradicating poverty, hunger and malnutrition, promoting health care which includes sanitation and preventive health care, contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water and improvement in education which includes special education and employment strengthening vocation skills among children, women, elderly and the differently-abled and livelihood enhancement projects.	Bishalgarh Sepahijala Tripura	7,20,000	7,20,000	7,20,000	Direct
2	Head Master Potunagar HS School under West Tripura for providing Iron Removal Plant with one storage tank of 1000 Ltr capacity	Eradicating poverty, hunger and malnutrition, promoting health care which includes sanitation and preventive health care, contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	West Tripura	1,70,000	1,70,000	8,90,000	Direct

1 Sr. No.	2 CSR project or activity identified	3 Sector in which the project is covered	4 Project or program 1. Local area 2. Specify the state and district	5 Amount outlay (Budget) project or program wise.	6 Amount spent on the project or program	7 Cumulative expenditure upto to the reporting period	8 Amount Spent Direct or Implementing Authority
3	Office of the DM and Collector, Sepahijala District for arrangement of Fund for providing Skill Development training to the women for their Sustainable livelihood	Improvement in education which includes special education and employment strengthening vocation skills among children, women, elderly and the differently-abled and livelihood enhancement projects.	Sepahijala, Tripura	10,00,000	10,00,000	18,90,000	Direct
4	Financial assistance for the Cricket Tournament 2024 organized by Ramesh Social Centre which is a nationally recognized sport	Training to stimulate rural sports, nationally recognized sports, Paralympic sports and Olympic sports.	Udaipur Tripura	5,00,000	5,00,000	23,90,000	Direct
5	Tripura Puppet Theatre for Gold Sponsorship of Rs.3 lakh for the Tripura International Puppet Utsav'24 scheduled to be held from 26th February,2024 to 28th February,2024 which is a festival to be set to be a landmark cultural event, showcasing the diversity and richness of the puppetry from around the globe	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries; promotion and development of traditional arts and handicrafts	Agartala, Tripura	3,00,000	3,00,000	26,90,000	Direct

1 Sr. No.	2 CSR project or activity Identified	3 Sector in which the project is covered	4 Project or program 1. Local area 2. Specify the state and district	5 Amount outlay (Budget) project or program wise.	6 Amount spent on the project or program	7 Cumulative expenditure upto to the reporting period	8 Amount Spent Direct or Implementing Authority
6	Financial Support to Abalamban for doing Tiles covering on the court yard of the old -age home Apnaghar	Improving gender equality, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Agartala, Tripura	2,58,100	2,58,100	29,48,100	Direct
7	Fund Provided for Computer Lab in Swami Vivekanda Mahavidyalaya for improvement of better educational knowledge to Sub-Divisional Magistrate, Mohanpur	Improvement in education which includes special education and employment strengthening vocation skills among children, women, elderly and the differently-abled and livelihood enhancement projects.	Mohanpur, Tripura	12,00,000	12,00,000	41,48,100	Direct
8	Fund Provided for 3 nos. of Iron removal plants @Rs.5.5 Lakhs (approx.) in 3 nos. o different Schools under Mohanpur Assembly Constituency for drinking water facilities for the students	Eradicating poverty, hunger and malnutrition, promoting health care which includes sanitation and preventive health care, contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water welfare,	Mohanpur, Tripura	1356538	1356538	5504,638	Direct

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or program 1. Local area 2. Specify the state and district	Amount outlay (Budget) project or program wise.	Amount spent on the project or program	Cumulative expenditure upto to the reporting period	Amount Spent Direct or Implementing Authority
9	Fund Provided for 06 nos Iron Removal Plant for SC / ST Hostel by the DM and Collector, West Tripura.	Eradicating poverty, hunger and malnutrition, promoting health care which includes sanitation and preventive health care, contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	West Tripura	10,20,000	10,20,000	65,24,638	Direct

7. REASON FOR LESS THAN STIPULATED EXPENDITURE: Not Applicable.

8. RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE OF THE BOARD

This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company and the CSR objectives as provisioned under Section 135 of the Companies, Act, 2013.



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FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2024

Annexure-II

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:

1	CIN	U23201TR1990SGC003451
2	Registration Date	10.07.1990
3	Name of the Company	TRIPURA NATURAL GAS CO LTD
4	Category/Sub-category of the Company	Company Limited by shares State government company
5	Address of the Registered office & contact details	Shiipia Nigam Bhawan, Khejurbagari, Kunjabari, Agartala, Tripura-799006
6	Email	pradeep_mahato@tngclonline.com
7	Phone No:	0381-2418168
8	Whether listed company	No
9	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Ltd.

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	Extraction of crude petroleum and natural gas	6102	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable Section
1	GAIL (INDIA) LIMITED	U40200DL1984GOI018976	Holding	48.98	2(87)
2	ASSAM GAS COMPANY LTD	U11101AS1962SGC001184	Joint Venture	25.51	N/A
3	TRIPURA INDUSTRIAL DEVELOPMENT CORPORATION LTD	U75112TR1974SGC001491	Joint Venture	25.51	N/A

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 [As on 01 April-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		8	8	0.03%		8	8	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Govt.	14,69,388	15,30,604	29,99,992	100.00%	14,69,388	15,30,604	29,99,992	100.00%	0.00%
e) Bodies Corp.			-	0.00%			-	0.00%	0.00%
f) Banks / FI			-	0.00%			-	0.00%	0.00%
g) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	14,69,388	15,30,612	30,00,000	100.00%	14,69,388	15,30,612	30,00,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)			-	0.00%			-	0.00%	0.00%
TOTAL (A)	14,69,388	15,30,612	30,00,000	100.00%	14,69,388	15,30,612	30,00,000	100.00%	0.00%
B. Public									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%



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Sub-total (B)(1):-	-	-	-	0.00%	422	-	-	-	0.00%	0.00%
2. Non-										
a) Bodies Corp.										
i) Indian			-	0.00%			-		0.00%	0.00%
ii) Overseas			-	0.00%			-		0.00%	0.00%
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		-	-	0.00%		-	-		0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		-	-	0.00%		-	-		0.00%	0.00%
c) Others (specify)										
Non Resident			-	0.00%			-		0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-		0.00%	0.00%
Foreign Nationals			-	0.00%			-		0.00%	0.00%
Clearing Members			-	0.00%			-		0.00%	0.00%
Trusts			-	0.00%			-		0.00%	0.00%
Foreign Bodies - D			-	0.00%			-		0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%					0.00%	0.00%
Grand Total	14,69,388	15,30,612	30,00,000	100.00%	14,69,388	15,30,612	30,00,000	100.00%	0.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Assam Gas Co. Ltd	7,65,302	25.51%		7,65,302	25.51%		0.00%
2	Tripura Industrial Development Corporation Ltd	7,65,302	25.51%		7,65,302	25.51%		0.00%
3	GAIL (India) Ltd.	14,69,388	48.98%		14,69,388	48.98%		0.00%
4	Nominees of Promoters i.e. Assam Gas Company Limited & Tripura Industrial Development Corporation Limited	8	0.00%		8	0.00%		0.00%
	Total	30,00,000	100.00%		30,00,000	100.00%		

iii Change in Promoters' Shareholding (please specify, if there is no change): Not Applicable

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

v Shareholding of Directors and Key Managerial Personnel: NIL

VI. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	S.C. Reang	
		Designation	Managing Director	Director (Commercial) WTD
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	86,24,811.38	54,86,704.50	1,41,11,515.88
	(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			-
	Total (A)	86,24,811.38	54,86,704.50	1,41,11,515.88
	Ceiling as per the Act			

B. Remuneration to other Directors : NA

SN.	Particulars of Remuneration	Name of Directors		Total Amount (Rs/Lac)
1	Independent Directors			
	Fee for attending board committee			-
	Commission			-
	Others, please specify			-
	Total (1)	-	-	-
2	Other Non-Executive Directors			-
	Fee for attending board committee			-
	Commission			-
	Others, please specify			-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration			1,41,11,515.88
	Overall Ceiling as per the Act			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :-

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	N/A	Subrata Debnath	Pradeep Kumar Mahato	(Rs)
	Designation	CEO	CFO	Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		37,91,146.00	16,05,901.00	53,97,047.00
	(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				-
	Total	-	37,91,146.00	16,05,901.00	53,97,047.00



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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - N.A.					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



Annexure-III

FINANCIAL AUDIT REPORT





INDEPENDENT AUDITOR'S REPORT

To the Members of Tripura Natural Gas Company Limited
(CIN: U23201TR1990SGC003451)

Report on the Audit of the Standalone Ind AS Financial Statement

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Tripura Natural Gas Company Limited** (CIN: U23201TR1990SGC003451), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

Attention is invited to following notes of the standalone IND AS financial statement:

- Refer **Note 18B** to this report regarding the revenue recognition, the company has a policy at the end of the financial year for domestic customer of which meter reading is not done/ wrong meter reading was done, then the customer can change the bill up to 15th May of Next year. The amount of actual billing was uncertain. As per explanation and representation given by the management, the effect of such will not be material.
- Refer **Note 38** regarding the Impairment of Assets, the company has identified assets not in use during the course of physical verification of property, plant & machinery conducted on 31.03.2022 by the management but the value of such assets not in use could not ascertain and the company is not in a position to declare it as a scrape. Impairment loss cannot be ascertained and not charged to profit & loss during the year. As per explanation and representation given by the management, the effect of such will not be material.
- Refer **Note 8** regarding the interest and penalty recovered from defaulting consumer, the company has no IT system regarding identification the amount received as interest/ penalty from customer. The company adjust the whole amount with sundry debtors. As per explanation and representation given by the management, the effect of such will not be material.

Our opinion is not modified in respect of above 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 in forming 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:

KEY AUDIT MATTERS	RESPONSE TO KEY AUDIT MATTER
<p><u>Contract for Revenue (IND AS 115)</u></p> <p><i>(Revenue Recognition)</i></p> <p>Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled to in exchange for transferring goods or services to a customer.</p> <p>An entity shall recognise the amount of allocated transaction price as revenue once a performance obligation is satisfied. Transaction price which can be fixed or variable amount is determined based on the terms of contract and entity's customary practice.</p> <p>Application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Note number 18B</p>	<p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard and checked the appropriateness of accounting policy. Our audit approach consisted testing of design and operating effectiveness of the internal controls as follows:</p> <ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to implementation of the revenue accounting standard, wherever applicable. 2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. 3. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. <p>We have verified the invoices raised during the period and tallied it with the billing system maintained by the company.</p> <p><u>Conclusion</u></p> <p>In this regard we did not find any material exception. Except The company has booked the revenue from its domestic customer at the year end on a provision basis for those consumers whose meter reading were not done/wrong meter reading has done/for other reasons, but the company has billing system on which these bills are editable till 15th May of the next financial year.</p>





<p><u>Evaluation of impact of related party transaction (IND AS 24)</u></p> <p>Related party relationships are a normal feature of commerce and business.</p> <p>A related party relationship could have an effect on the profit or loss and financial position of an entity. Related parties may enter into transactions that unrelated parties would not. For example, an entity that sells goods to its parent at cost might not sell on those terms to another customer. Also, transactions between related parties may not be made at the same amounts as between unrelated parties.</p> <p>Refer Note No 27</p>	<p>We have conducted the following checks to verify the matter;</p> <ul style="list-style-type: none">• Verification of purchase invoices were made to form an opinion regarding the authenticity of the transactions between Tripura Natural Gas Co Ltd and its holding company GAIL India Ltd.• The company has obtained two properties of TIDCL, we have checked the available agreement with TIDCL.• Balance confirmations were obtained from the holding company regarding the balances as on 31.03.2024.• Proper disclosure in the financial statement is given as per the requirement of IND AS 24 <p><u>Conclusion</u></p> <p>In this regard we did not find any material exception except the company has not passed any Board resolution regarding Related party transaction and also MBP-4 has not been maintained.</p>
<p><u>Evaluation of accuracy of Inventory Movement and Valuation (IND AS 2)</u></p> <p>Inventories are assets:</p> <p>(a) held for sale in the ordinary course of business;</p> <p>(b) in the process of production for such sale;</p> <p>(c) in the form of materials or supplies to be consumed in the production process or in the rendering of services.</p> <p>Measurement of inventories :</p> <p>Inventories shall be measured at the lower of cost and net realisable value.</p> <p>Cost of inventories :</p> <p>The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.</p> <p>Refer Note No 7</p>	<p>We have conducted the following checks to verify the matter :</p> <ul style="list-style-type: none">• We have verified the movement of the stock from stock register of the period.• Valuation of Inventory is made on FIFO basis and the same has been verified by us.• Checks were made to verify whether any other cost are included in the valuation for inventory which is to be excluded as per IND AS 2• Stores and spare and other material for use in production of inventories are valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.• Valuation of closing stock of finished Goods are taken as per the Cost and Net Realisable Value whichever is Lower.• Surplus/ obsolete stores and spares are valued cost or net realizable value, whichever is lower.





	<ul style="list-style-type: none">The stock of Gas in pipelines and in tanks in CNG/PNG station is not held for the purpose of producing or providing goods and services as contemplated in AS 10. The stock gas in pipe lines and tanks is held in the process of production, and the stock of finished products in pipelines and the stock in tanks of finished products is meant for sale in ordinary course of business. Accordingly, the stock of Gas in pipelines and tanks is an inventory as per AS 2 and not a Property, Plant & Equipment. <p>Conclusion</p> <p>In this regard, we did not find any material exception.</p>
<p>Going concern assumption, financial management</p> <p>The availability of sufficient fund and testing whether the company will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit.</p> <p>This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations.</p> <p>Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.</p>	<p>We have evaluated the assumptions and forecasts made by the management including the challenges faced under the COVID-19 scenario.</p> <p>Nothing has come to our notice which indicates any hindrance on the going concern of the company.</p> <p>The company is a PSU.</p>
<p>ROU leasehold Assets</p> <p>Ind As 116 "Leases" was notified on 30.03.2019 by MCA and made effective from 01.04.2019. Ind AS 116 introduces a single accounting model for accounting of all lease agreements and requires a lessee to recognise a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payment.</p> <p>The company has total 19 leasehold property during Financial Year 2023-24.</p> <p>Refer Note No 36</p>	<p>The company has a ROU leasehold immovable property in form of Counter at CNG station, A.D Nagar, Agartala Udaipur Road, Agartala-799003 with a rent of Rs 45288/- p.m. during Financial Year 2023-24. The company is treating this rental property as perpetual leasehold immovable property. Lease agreement between the company (Lessee) and TIDCL (Lessor) duly executed in favour of the lessee are not held on record the company.</p> <p>However, the company is in possession of such immovable property during the Financial year.</p> <p>However, no other material discrepancies observed.</p>
<p>Technical parameters and voluminous transactions of Natural gas trading and transmission captured to measure Revenue and Inventory through integrated system and complexities involved therein.</p> <p>Determination of the quantity of Natural Gas sold and in stock through gas-pipelines involves use of various technical aspects of the natural gas such as pressure, temperature etc. captured from</p>	<p>We have applied the following audit procedures in this regard:</p> <ul style="list-style-type: none">We have performed test controls, assisted by our IT Specialist, over the accuracy and completeness of quantity captured via IT system through to accounting software.We have obtained management representation that the IT system applies a standard methodology to capture the quantity of natural



the measuring devices installed on the gas pipelines. We were informed that the methodology is standard and used industry-wide. This increases the complexity of validating quantity of Natural Gas sold and stock in pipeline as at March 31, 2024.

gas for the purposes of revenue and inventory measurement.

- We have verified valuation of closing inventories by applying various aspects made available to us

Other Matters

During the financial year 2023-24, approval of the competent authority for legal action has been issued for 151 cases for disconnected/defaulted consumers and for the remaining cases approval for legal action from the competent authority are under process. Our opinion in respect thereof is solely based on the management certified information. According to the information and explanations given to us by the company's management, these are not material to the company.

Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report Thereon

The company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone IND AS financial statements and our Auditor's Report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone IND AS financial statements doesn't cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Ind AS 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 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 its operations, or has no realistic alternative but to do so.

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



**Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements:**

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

Report on Other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Comptroller and Auditor General of India through directions/sub directions issued under section 143(5) of the companies Act, 2013, on the basis of written representation received from management, we give our report on the matter specified in the **Annexure B** attached.

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 the statement of other comprehensive Income the Statement of Cash Flow and statement of changes in equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended ;
- (e) Pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 164 (2) of the Act are not applicable to the Company, being a Government Company.
- (f) With respect to the adequacy of the internal financial controls with reference to this standalone Ind AS financial statement and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**" to this report;
- (g) As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the company, since it is a Government Company; and
- (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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigation on its financial position in its Standalone financial statement- Refer Note 26(A) to the Standalone financial statement.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any and to the extent ascertainable, on long-term contracts.





iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. (a) The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the companies Act 2013 is applicable.

(b) The company has not declared interim dividend during the financial year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rule, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, however the company has not implemented/maintained audit trail under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 for the Financial Year 2023-2024.

Place : Agartala
Date : 10.05.2024



For DDAS & KAMALUDDIN
Chartered Accountants
ICAI Firm Registration No. 324916E


(SK KAMALUDDIN)
Partner
Membership No. 058107
UDIN: 24058107BJZZXE7649

**APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT**

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

Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone Ind-AS financial statements, including the disclosures, and whether the standalone Ind-AS 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 the 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 standalone Ind-AS 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.

Place : Agartala
Date : 10.05.2024



For DDAS & KAMALUDDIN
Chartered Accountants
ICAI Firm Registration No. 324916E


(SK KAMALUDDIN)
Partner
Membership No. 058107
UDIN: 24058107BJZZXE7649



TRIPURA NATURAL GAS COMPANY LIMITED
(CIN: U23201TR1990SGC003451)

ANNEXURE- A to the INDEPENDENT AUDITOR'S REPORT - 31ST MARCH, 2024

In the annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial Statements for the year ended 31st March, 2024, we report that:

I. In respect of its property, plant & equipment:

- a. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not any Intangible Assets in the books of accounts.
- b. The property, plant & equipment were physically verified by the Management in accordance with a regular programme of verification which, in our opinion, and information provides for physical verification of all the property, plant & equipment at reasonable intervals. According to the information and explanations given to us by the management, discrepancies observed were not material but discrepancies have not been properly accounted for into the books as the management could not be ascertained the carrying value of the asset not in use as at the balance sheet date.
- c. According to information and explanations given to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favour of lessee), disclosed in the financial statements are in held in the name of Company. The details of exceptions are given as under:

Sl. No.	Particulars line in the Balance Sheet	Description of Item of Property	Carrying Value	Title Deeds held in the name of	Whether held by the Promoter	Property held since date	Reason
1.	ROU Assets	Premises No. 23 of AD Nagar	31,08,810.00	Tripura Industries Development Corporation of India	Yes	24.12.2005 & 22.08.2009 (annexure land)	TIDCL has asked for payment of Shed that was not present on the date of allotment. TNGCL has not agreed and is paying only Rent for the Leasehold Land.

- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. The provisions of clause 3(1)(d) of the Order are not applicable.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.



**II. In respect of its inventory:**

- a. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the Management has conducted the physical verification of inventory (excluding stores & spares and inventory lying with the third parties) at reasonable intervals during the year. We have been explained that the stock of gas at the end of the year has been derived based on volume of pipeline, Cascades, BDV etc. w.r.t corresponding pressure & Temperature of gas.

According to the information and explanations given to us, no material discrepancies of 10% or more in the aggregate for each class of Inventory between physical inventory and book records noticed on such physical verification.

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Hence, clause 3(ii)(b) of the Order is not applicable to the Company.

III. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not made any investments, not provided any guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, LLP or any other parties.

- (a) [A] Based on the audit procedures carried out by us and as per the information and explanations given to us, the clause III (a) (A) is not applicable to the company.

[B] Based on the audit procedures carried out by us and as per the information and explanations given to us, the clause III (a) (B) is not applicable to the company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not made any investments, not provided any guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, LLP or any other parties. Accordingly, the requirements to report on clause 3(iii)(b) to 3(iii)(f) of the order is not applicable to the company and hence not commented upon.

IV. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has not granted provided any guarantees or security to the parties covered under Section 186 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of unsecured loans granted during the financial year.

V. According to the information and explanations given to us, the Company has not accepted any deposit or deemed deposit during the year hence, the question of compliance of section 73 and 76 of the Companies Act 2013 does not arise.

VI. We have not in the position to review the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act read with Companies (Cost Records & Audit) Rules, 2014, as amended, as the maintenance of cost records are still in process and not produced before us.

VII. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of accounts in respects of undisputed statutory dues including Goods and Service Tax,





Provident fund, employees' state insurance, income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities have been regularly deposited during the year by the company except to instances details of which are mentioned below:

Particulars	Amount (Rs.) Dues more than 6 Month	Assessment Year
Interest on TDS [u/s 220(2)]	4,775.50	2010-11 & 2011-12

b) According to records of the Company and information and explanation given to us the Company, the gross statutory dues of income tax or sale tax or service tax or duty of custom or duty of excise or value added tax or cess or Goods and Service Tax and any other statutory dues which have not been deposited on account of dispute or deposited under protest and the forum where the dispute is pending are given below:

Sl No.	Name of Statute	Nature of the dues	Period to which the amount relates	Forum where the dispute is pending	Gross dispute amount (Rs. in Lakhs)	Amount deposited under protest/appeal (Rs. in Lakhs)	Amount not deposited (Rs. in Lakhs)
1	Central Excise Act, 1944	Excise Duty	26.07.2012 to 25.07.2017	CESTAT, Kolkata	386.94	29.02	357.92
2	Central Excise Act, 1944	Excise Duty	27.07.2017 to 30.04.2018	CESTAT, Kolkata	51.73	5.17	46.56
3	Central Excise Act, 1944	Excise Duty	01.05.2018 to 31.10.2018	CESTAT, Kolkata	19.71	1.48	18.23

VIII. There is no unrecorded transaction in books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Accordingly, the provision of clause 3(viii) of the Order is not applicable to the company.





IX. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis, have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures.

X. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

Accordingly, the provision of clause 3(x)(a)&(b) of the Order is not applicable to the company.

XI. (a) Based on examination of the books and record of the company and according to the information and explanations given to us, considering the principles of materiality outlined, no fraud by the Company and no significant fraud on the Company has been noticed or reported during the course of the audit.

(b) According to information & explanation given to us no report under sub-Section (12) of Section 143 of the Companies Act for detecting and reporting of Fraud has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) According to examination of books of accounts, documents, complaints, clarification and explanations given to us, we have not come across any whistle-blower complaints, received during the year by the Company





- XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Hence, clause 3(xii) of the Order is not applicable to the company.
- XIII. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS Financial Statements as required under Indian Accounting Standard (IND-AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- XIV. (a) According to the information and explanations given to us and based on our examinations of the records of the Company, the company has implemented an internal audit system in commensurate with the nature and size of the business.
- (b) As the company has produced internal audit Report for the F.Y. 2023-2024 dated 29.04.2024 on 30th April, 2024, and such report is considered by us for the period under audit.
- XV. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transaction with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- XVI. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly clauses 3(XVI)(a) and 3(XVI)(b) of the order are not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(XVI)(C) of the order is not applicable.
- d) According to the information and explanation given to us by the management and as per our observation during the course of audit, we are in opinion that there is no core Investment company within the group (as defined in the Core Investment Companies(RB) Direction 2016).
- XVII. on the basis of our examination of books of accounts of the Company the Company has not incurred cash losses in the Financial Year and in the immediately preceding financial year.
- XVIII. Based on our examination of the records, resignation of previous statutory auditor is not observed during the year. Accordingly, clause 3(xviii) of the Order relating to reporting of resignation of statutory auditor is not applicable to the company.
- XIX. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we opine that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the





date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

XX. (a) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures.

(b) Since there are no unspent amounts which are to be transferred pursuant to section 135(5) and 135(6) of the Act, hence, provisions of clause 3(xx)(b) of the order are not applicable.

XXI. The consolidated financial statement is not required to be prepared by the company. Accordingly, clause 3(xxi) of the Order relating to consolidated financial statements (CFS) is not applicable.

Place: Agartala

Date: 10.05.2024



For DDAS & KAMALUDDIN
Chartered Accountants
ICAI Firm Registration No. 324916E


(SK KAMALUDDIN)
Partner
Membership No. 058107
UDIN: 24058107BJZZXE7649

THE INDEPENDENT AUDITOR'S REPORT - 31ST MARCH, 2024

ANNEXURE-B

Referred to in paragraph 2 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of Tripura Natural Gas Company Limited on the standalone financial statements for the year ended March 31, 2024

No	Direction/ Sub direction	Action Taken	Impact on standalone
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated?	<p>The company maintains its books of account on IT system, Tally Prime, which is an ERP system. All accounting transactions are processed in accounts maintained on Tally Prime.</p> <p>Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed or carried outside the IT system of the Company. Accordingly, in our opinion, there are no implications on the integrity of the accounts.</p>	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest made by a lender due to Company inability to repay the loan? If yes, the financial impact may be stated?	In accordance with the audit procedures carried out and as per the information and explanations given to us by the Company, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/interest made by a lender to the Company due to the Company's inability to repay the loan.	Nil






3.	Whether funds received/ receivable for specific schemes from central state agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company, the company has not received any scheme from central state agency and we did not encounter any deviation	Nil
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Place: Agartala

Date: 10.05.2024



For DDAS & KAMALUDDIN
Chartered Accountants
ICAI Firm Registration No. 324916E


(SK KAMALUDDIN)
Partner
Membership No. 058107
UDIN: 24058107BJZZXE7649

THE INDEPENDENT AUDITOR'S REPORT - 31ST MARCH, 2024

ANNEXURE-C

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

We have audited the internal financial control over financial reporting of **TRIPURA NATURAL GAS COMPANY LIMITED (CIN: U23201TR1990SGC003451)** ("The Company") as of 31st March, 2024 in conjunction with our audit of the standalone Ind AS 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 controls over financial reporting criteria established by the company considering 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 ["ICAI"]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act 2013 [the Act].

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 [the "Guidance Note"] and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal Financial Controls, both issued by the ICAI. 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 controls 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.



**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:**

A company's internal financial controls 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 purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that :-

[1] pertain to the maintenance of record that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the company;

[2] provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

[3] provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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 reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls Over financial reporting issued by ICAI.

Place : Agartala
Date : 10.05.2024



For D DAS & KAMALUDDIN
Chartered Accountants
ICAI Firm Registration No. 324916E

(SK Kamaluddin)
Partner
Membership No. 058107
UDIN: 24058107BJZZXE7649

(₹ in Lakh)

Particulars	Note	As at 31st March 2024	As at 31st March, 2023
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	11,213.51	11,973.14
Capital work-in-progress	3B	3,821.38	1,679.73
ROU ASSET	3A	1,307.01	1,657.54
Financial Assets		-	-
-Loans	4A	-	-
-Other Financial Assets	4B	40.90	15.14
Other Non-Current Assets	6	169.59	236.49
Subtotal (A)		16,552.38	15,562.03
Current Assets			
Inventories	7	303.13	400.12
Financial Assets			
-Trade receivables	8 & 8A	1,395.03	1,720.47
-Cash and cash equivalents	9A	181.57	2,382.74
-Other bank balances	9B	12,210.65	6,912.09
-Loans	4A	21.70	24.25
-Other Financial Assets	4B	252.10	200.01
Current Tax Assets (Net)	6A	848.38	176.24
Other Current Assets	6	52.99	911.08
Subtotal (B)		15,265.56	12,727.80
Total Assets (A+B)		31,817.93	28,289.83
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	3,000.00	3,000.00
Other Equity	11	20,609.84	16,710.89
Total equity (C)		23,609.84	19,710.89
LIABILITIES			
Non Current Liabilities			
Contract liabilities	17	2,305.29	2,318.04
Financial Liabilities			
-Borrowings	12	-	12.33
-Lease Liabilities	17A	1,056.19	1,117.59
-Other Financial Liabilities	14	-	-
Provisions	15	213.44	195.29
Deferred Tax Liability	5	75.22	143.61
Other Non Current Liabilities	16	56.21	62.13
Subtotal (D)		3,706.36	3,848.98
Current Liabilities			
Contract liabilities	17	252.07	248.51
Financial Liabilities			
-Trade Payables			
(i) total outstanding dues of micro and small enterprises	13	207.92	225.86
(ii) total outstanding dues other than (i) above	13	845.87	913.44
-Other Financial Liabilities	14	2,763.84	2,717.15
Lease Liabilities-Current	17A	358.26	568.65
Provisions	15	5.03	19.21
Other Current Liabilities	16	68.76	37.12
Subtotal (E)		4,501.73	4,729.95
Total Equity and Liabilities (C+D+E)		31,817.93	28,289.83

Significant Accounting Policies Note No. 2
The Notes referred above form an integral part of the accounts.

As per our report of even date:
For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANTS
FRN: 324916E

Dr. Kamaluddin
Partner
M. No. - 055107

Place: Agartala
Date: 10.05.2024
UDIN: 240584076327367649



S C Reang
(Director Commercial)
DIN - 01032897

Pradeep K. Mahato
(Company Secretary)
Membership No-ACS31321

A Anbarasan
(Managing Director)
DIN - 09236359

Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854



Tripura Natural Gas Company Limited
CIN- U23201TR1990SGC003451
Statement of Profit & Loss for the Period ended 31 st March 2024

(₹ in Lakh)

Particulars	Note No.	As at 31st March 2024	As at 31st March, 2023
I. Income			
Revenue from Operations (Gross)	18	28,222.04	26,359.19
Other Income	19	1,024.00	845.74
Total Income		29,246.04	27,204.93
Purchase of gas	20	13,301.90	14,473.30
Change in inventories	20A	1.00	-7.24
Excise duty		1,927.18	1,720.93
Employee benefits expenses	21	412.42	374.62
Finance Cost	22	116.70	140.47
Depreciation and amortization expenses	3	1,811.45	1,908.94
Other expenses	23	6,783.19	5,635.57
IV. Total Expenses		24,353.84	24,246.59
V. Profit before Tax (III - IV)		4,892.20	2,958.34
VI. Tax Expenses	24		
- Current Year		1,217.54	1,104.59
- Earlier Years		-344.49	35.43
Deferred Tax		-71.89	-206.86
Total Tax Expenses		801.16	933.16
VII. Profit for the Period (V-VI)		4,091.04	2,025.17
Other Comprehensive income			
VIII. Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain/ (losses) of defined benefit obligations		13.92	12.13
Income tax effect relating to these items		-3.50	-3.11
		10.42	9.02
IX. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		10.42	9.02
Total comprehensive income (VII+ IX)		4,101.46	2,034.19

Earning Per Equity Share (Face Value ₹ 100/-each)

- Basic	136.37	67.51
- Diluted	136.37	67.51

Significant Accounting Policies Note No. 2

The Notes referred above form an integral part of the accounts.

As per our report of even date
For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANTS
FRN: 324916E

S C Reang
(Director Commercial)
DIN -10132897

A. Anburasan
(Managing Director)
DIN -09236359



SR. Kamaluddin
Partner
M. No. - 058107



Place : Agartala
Date: 10.05.2024
UDIN: 24058107BJZZXE7649

Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321

Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854

Tripura Natural Gas Company Limited
CIN- U23201TR1990SGC003451

Statement of Changes in Equity for the period ended 31 March 2024
(a) Equity Share Capital

₹ in Lakh
(Otherwise Stated)

Sl.No	Shares held by Promoters at the end of the year			% Change During the Year	Amounts in INR
	Promoters Name	No. of Shares	% of Total Shares		
	Equity shares of Rs. 100 each issued, subscribed and fully paid				
01	Gail India Limited	14,69,388	48.99%	-	1,469
02	Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-	765
03	Assam Gas Company Limited	7,65,306	25.51%	-	765
	As at 31 March 2023	30,00,000	100.00%	0.00%	3,000
01	Gail India Limited	14,69,388	48.98%	-	1,469
02	Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-	765
03	Assam Gas Company Limited	7,65,306	25.51%	-	765
	Issue of share capital	-	-	-	-
	As at 31 March 2024	30,00,000	100.00%	0.00%	3,000

(b) Other equity

For the period ended 31 March 2024:

(₹ in Lakh)

	Reserve & Surplus	
	Retained Earnings	TOTAL
As at 31 March 2022	14,934.71	14,934.71
Profit for the year	2,025.17	2,025.17
Re-measurement gain/(loss) on defined benefit plans (net of)	9.02	9.02
Dividend Paid for FY-2020-21	(258.01)	(258.01)
As at 31 March 2023		16,710.89
Profit for the year	4,091.04	4,091.04
Re-measurement gain/(loss) on defined benefit plans (net of)	10.42	10.42
Dividend for FY-2022-23	(202.52)	(202.52)
As at 31 March 2024		20,609.84

As per our report of even date:
For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANTS
FRN: 324916E

S C Reang
(Director Commercial)
DIN -10132897

A Anbarasan
(Managing Director)
DIN -09236359



SK. Kamaluddin
Partner
M. No.- 058107



Place : Agartala
Date: 10.05.2024
UDIN: 24058107BJZZXE7649

Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321

Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854

Tripura Natural Gas Company Limited

CIN- U23201TR1990SGC003451

Statement of Cash Flows for the year ended 31 March 2024

(₹ in Lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A Cash flow from operating activities		
Profit before tax	4,892.20	2,958.34
Adjustment to reconcile profit before tax to net cash flows:-		
Depreciation and amortization expense	1,811.45	1,513.74
Fair value gain on financial instruments at fair value through profit or loss	-	-
Interest income	(676.32)	(433.63)
Interest on security deposits (IND AS)	(0.00)	-
Amortization of Govt Grant	(272.56)	(268.31)
Interest on Lease Liability	116.70	140.47
Provision for expected credit loss, advances and bad debts written-off	63.83	35.15
Operating profit before working capital changes	5,935.31	3,945.76
Adjustments for movement in:		
Trade receivables	325.43	(576.37)
Other assets	(4,992.27)	(742.39)
Inventories	97.00	433.75
Increase/(Decrease) in Trade payables	(85.53)	(363.04)
Other liabilities and provisions	35.30	80.77
Cash generated from operations	1,315.44	2,778.48
Direct taxes paid (net of refunds)	(700.78)	(1,097.83)
Net cash generated from operation (A)	614.66	1,680.64
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,824.36)	(2,172.78)
Proceeds from sale of property, plant and equipment	-	-
Loans to related parties (net)	-	-
Purchase of non-current investments	-	-
Purchase of current investments	-	-
Proceeds from non-current investments	-	-
Proceeds from current investments	-	-
Interest received	676.32	433.63
Dividend received	-	-
Net cash used in investing activities (B)	(2,148.03)	(1,739.15)
C Cash flow from financing activities		
Repayment of non-current borrowings	(12.33)	(264.48)
Proceeds of Dividend	(202.42)	(258.01)
Payment for principal portion of lease liabilities	(452.95)	(620.62)
Net cash (used in)/generated from financing activities (C)	(667.80)	(1,143.10)
Net increase in cash and cash equivalents (A+B+C)	(2,201.17)	(1,201.61)
Cash and cash equivalents - at the beginning of the year	2,382.74	3,584.35
Cash and cash equivalents - at the end of the year	181.57	2,382.74
Components of cash and cash equivalents		
Cash in hand	75.69	51.59
Balances with banks:-		
- On current accounts	50.49	513.68
- Deposits with original maturity of less than three months	55.39	1,817.47
Total Cash and cash equivalents (Refer note 9A)	181.57	2,382.74

Significant Accounting Policies Note No. 2

The Notes referred above form an integral part of the accounts.

As per our report of even date:
For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANTS
FRN: 334916E

S C Reang
(Director Commercial)
DIN -10132897

A. Anbarasan
(Managing Director)
DIN -09236359



SK. Kamaluddin
Partner
M. No.- 058107
Place : Agartala
Date: 10.03.2024
UDIN: 24058107BJ22XE7649



Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321

Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854

TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

1. Corporate information

Tripura Natural Gas Company Limited (the Company) is a domiciled India with registered office, in Agartala, Tripura

GAIL (India) Ltd entered in to a contractual agreement with Tripura Industrial development corporation, Assam gas co Ltd on February 15, 2005 as a major shareholder to make Tripura Natural Gas Co Ltd the fastest growing CGD entity in entire Eastern India for distribution and marketing of natural gas and compressed natural gas (CNG) for use in residential, commercial, industrial and automotive sector, in state of Tripura. TNCGCL has established itself as a pioneer in customers in the state of Tripura.

The Company is primarily engaged in Gas distribution through pipe lines.

2. Significant accounting policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements for the year ended 31 March 2024 have been prepared in accordance with Ind AS.

The standalone financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets & liabilities, except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

The standalone financial statements are presented in INR (Indian Rupees) and all values are rounded to the nearest Lakh (up to Two decimal), except when otherwise indicated.

2.2 Accounting Policies

• **Property, Plant & Equipment (PPE)**

a) The Cost of an item of PPE is recognised as an asset, if and only if

- I. It is probable that the future economic benefits flow to the entity and
- II. The cost of an item can be measured reliably

b) Property plant & Equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

The management has physically verified the Property, plant & Equipment at the end of the financial year and identified the obsolete assets during the verification. But valuation of such obsolete assets was not done yet and the company is in process of valuation of such assets.

c) Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the



TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

underlying asset. Expenditure on major inspection and overhauls of PPE is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized. The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed.

- d) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the intangible assets.

e) When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. Overhauling / repairs and maintenance/ inspection are processes of maintenance performed on a machine or other industrial equipment after certain period of usage. The purpose of overhauling is to keep the machine/equipment in working condition. As per Para 13, 14 of Ind AS 16 and guidance issued by the ICAI, an entity should recognise in the carrying amount of an item of PPE the cost of replacing part of such an item (each major inspection /overhaul) when that cost is incurred, if the recognition criteria is met. It is pertinent to note that Ind AS 16 does not distinguish between the expenditure that maintains the existing service potential of an asset and expenditure that enhances the service potential of the asset. Accordingly, both the above qualify to be capitalised with PPE.

All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation

Depreciation has been provided on straight line method.

Depreciation on property, plant and equipment, other than leasehold improvements, have been provided on pro-rata basis, on the straight line method, using rates determined based on management's technical assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used.

Category of assets	Useful life as adopted by management	Useful life as per Schedule II
Plant & Machinery-Project PNG	30 years	30 years
Plant & Machinery-Project PNG	15 years	15 years
Office Equipment	5 years	5 years
Furniture & fixture	10 years	10 years
Vehicle	10 years	8 years
Computer (except tablets*)	6 years	3 years
Office Building	60 Years	60 Years



TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

*Tablets are depreciated at an estimated useful life of 3 years.

Leasehold improvements are amortised over economic useful life or unexpired period of lease whichever is less. Assets costing ₹ 5,000 or less are depreciated entirely in the year of purchase.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and machinery, vehicles, computers and building over estimated useful lives which are different from useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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

• **Intangible Assets**

- a) Intangible assets like Right of Use (ROU), which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.
- b) Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.
- c) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 01.04.2015 measured as per previous GAAP and use that carrying value as deemed cost of the intangible assets.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale. Its intention to complete the asset.
- Its ability to use or sell the asset. How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.



TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

• **Capital Work-in-progress**

- a) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.
- b) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition/ construction of the asset, are capitalized at the time of commissioning of such assets.

2.3 Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

The Company has not entered into any foreign currency transaction during the year.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

- a) interest expense calculated using the effective interest method as described in Ind AS 109- 'Financial Instruments'
- b) interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and

2.5 Government Grant

Government Grants are not recognized until there is reasonable assurance that the Company will comply with conditions attached to them and the grants will be received. In case of depreciable assets, the cost of the assets is shown at gross value and grant thereon is taken to deferred income which is recognized as income in the Statement of Profit and Loss over the useful life of the asset. Government Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations. During the year the company has not received any government grant.

2.6 Non-Current Assets held for Sale

Non-current assets or disposable groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. Assets and liabilities classified as held for sale are



TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

presented separately in the balance sheet. PPE and intangible assets once classified as held for sale are not depreciable or amortised.

During the Financial year the management has identified the disposable assets but the company has no policy to declared the assets as scraped, further, the company has entered a contract with vendor for valuation.

2.7 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.8 Fair value measurement

The Company measures no financial instruments and equity settled employee share based payment plan at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



TRIPURA NATURAL GAS COMPANY LIMITED

CIN: U23201TR1990SGC003451

Notes to financial statements for the year ended 31 March 2024

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, unquoted financial assets, and significant liabilities, such as valuation of unquoted investments and equity settled employee share based payment plan. Involvement of external valuers is decided upon annually by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Company's management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company's management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company's management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

2.9 Revenue recognition

Revenue is recognised 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 received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude, and is also exposed to credit risks.

Goods and services Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue from operations has been considered by deducting the amount of sales return from the gross amount of sales for the period. As per INDAS 115 revenue is to be measured at fair value, gross



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number of sales to be adjusted towards provisions for sales return with corresponding decrease in Trade receivables. No such provision for sales return has been made in the books for the period.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the contractual obligation is over on the part of the seller to sell the goods. As per IND AS 115 (Revenue for Contracts). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of sales returns, turnover discounts and cash discounts.

Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control. Where performance obligation is satisfied over time, company recognizes revenue using input/output method based on performance completion till reporting date. Where performance obligation is satisfied at a point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.

Claims (including interest on delayed realization from customers) are accounted for, when there is significant certainty that the claims are realizable.

Liability in respect of Minimum Guaranteed Offtake (MGO) of Natural gas is not provided for where the same is secured by MGO recoverable from customers. Payments/receipts during the year on account of MGO are adjusted on receipt basis.

Minimum charges relating to transportation of LPG are accounted for on receipt basis.

In terms of the Gas Sales Agreement with the customers, amount received towards Annual Take or Pay Quantity (ATOPQ) of Gas is accounted for on the basis of realization and shown as liability till make up Gas is delivered to customer as per the contract.

The company has issued invoices on assumption basis at the end of the March for consumer, of which meter reading is not done/wrong meter reading was done. Then the consumer has option to change the bill up to 15th of May. The amount of revenue for those consumers is uncertain and as per comparison with previous year the involve is non-material for the organisation.

Sale of services

Service income is recognized on accrual basis as and when services are provided and invoices raised during the year.

Interest income

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable. For all financial instruments measured at amortised cost and other interest-bearing financial assets, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment,



extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

2.10 Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.12 Leases:

Identifying a lease

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

The company assesses whether:

- i. The contract involves the use of an identified asset, specified explicitly or implicitly.
- ii. The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and
- iii. The Company has right to direct the use of the asset. Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Initial recognition of Right of use asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

Subsequent measurement of Right of use asset (ROU)

ROU assets are subsequently amortized using the straight line method from the commencement date to the earlier of the end of the useful life of ROU asset or the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability. Refer to the accounting policies in section 1.12 Impairment of non-financial assets.

Initial recognition of lease liability



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Lease liabilities are initially measured at the present value of the lease payments to be paid over the lease term. Lease payments included in the measurement of the lease liabilities comprise of the following:

- i. Fixed payments, including in-substance fixed payments
- ii. Variable lease payments that depend on an index or a rate
- iii. Amounts expected to be payable under a residual value guarantee; and
- iv. The exercise price under a purchase option, extension option and penalties for early termination only if the Company is reasonably certain to exercise those options.

Subsequent measurement of lease liability

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low-value assets are recognized as expense in Statement of Profit and Loss.

Ind AS 116 "Leases" was notified on 30.03.2019 by MCA and made effective from 01.04.2019. Ind AS 116 introduces a single accounting model for accounting of all lease agreements and requires a lessee to recognise a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payment.

The company has elected Cumulative catch-up method for transition to the new accounting standard. The Cumulative catch-up method requires lessee to discount its future lease payments by its incremental borrowing rate. The company has used 9.05%, 7.20% & 8.05% p.a as discounting rate.

2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials and finished goods are valued at cost or net realizable value, whichever is lower under FIFO method. Finished goods include excise duty and royalty wherever applicable.
- Stock in process is valued at cost or net realizable value, whichever is lower under FIFO method. It is valued at cost where the finished goods in which these are to be incorporated are expected to be sold at or above the cost.
- Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished goods in which they will be incorporated are expected to be sold at/or above cost.



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- The stock of Gas in pipelines and in tanks in CNG/PNG station is not held for the purpose of producing or providing goods and services. The stock gas in pipe lines and tanks is held in the process of production, and the stock of finished products in pipelines and the stock in tanks of finished products is meant for sale in ordinary course of business. Accordingly, the stock of Gas in pipelines and tanks is treated as Inventory

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

2.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

No such impairment of non-financial assets were made in this period.

2.15 Financial Instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



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Equity instruments at FVTOCI

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortised cost e.g., trade receivables and bank balance
- Financial assets that are measured as at FVTPL



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The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables,

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an



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exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss

Re-classification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

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

2.16 Retirement benefits:

The Company's contribution to the Provident Fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss / CWIP. Further, the company makes provision as per actuarial valuation towards any shortfall in fund assets to meet statutory rate of interest in the future period, to be compensated by the company to the Provident fund trust

Employee Benefits under Defined Benefit Plans in respect of gratuity are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation. Actuarial asset in excess of respective liability is recognized during the year

Re-measurement including actuarial gains and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss or Other Comprehensive Income in the year of occurrence, as the case may be. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The Company also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust

2.17 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities/ assets exceeding Rs. 5 Lacs in each case are disclosed by way of notes to accounts except when there is remote possibility of settlement/realization.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance date.

2.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose statement of cash flows, cash and cash equivalents consist of cash at bank and in hand and short term investments with an original maturity of three months or less.

2.19 Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit or loss for the period attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.20 Cash dividend and non-cash distribution to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

The Company is paid dividend to its shareholder at 10% of Net profit as per dividend declaration on its 34 AGM.

2.21 Accounting Policies, Changes in accounting estimates and errors

The amendments clarifies the definition of a change in accounting estimates by replacing with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop



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accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, contingent liabilities/ assets at the date of the standalone financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. In particular, the Company has identified the areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

- **Judgement**

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

Contingencies

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

- **Estimates and assumption**

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


As per our report of even date:

For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANT
FRN: 324916E

SK. Kamaluddin
Partner
M. No.- 058107




S C Reang
(Director Commercial)
DIN -10132897


Pradeep Kr. Mahato
(Company Secretary)
M. No.-ACS31321


A. Anbarasan
(Managing Director)
DIN -09236359


Subrata Debnath
(Chief Financial Officer)
M. No.-M/32854

Place: Agartala
Date: 10.05.2024
UDIN: 24058107BJZZXE7649



Note 3 - Property, plant and equipment

Components of Property, plant and equipment (including assets held under finance leases) are as follows:

Cost/Valuation	Plant & Machinery	Building- Office/Other	Office Equipments	Furniture & fixture	Transport Equipments	Electrical Equipment	Freehold Land	Total
<i>(₹ in Lakh)</i>								
At 1st April 2022	13,592.27	2,337.58	112.56	72.59	0.47	8.53	205.33	16,329.33
Additions	2,027.37	711.18	32.19	-	-	-	-	2,770.74
Acquisitions of a subsidiary	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	(0.79)	-	-	-	-	-	-	(0.79)
At 31st March 2023	15,618.85	3,048.76	144.76	72.59	0.47	8.53	205.33	19,099.29
Additions	640.29	23.46	17.23	0.06	-	1.17	-	682.71
Acquisitions of a subsidiary	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
At 31st March 2024	16,259.14	3,072.22	162.49	72.65	0.47	9.70	205.33	19,782.00

Depreciation and Impairment	Plant & Machinery	Building- Office/Other	Office Equipments	Furniture & fixture	Transport Equipments	Electrical Equipment	Freehold Land	Total
<i>(₹ in Lakh)</i>								
At 1st April 2022	5,047.36	525.15	75.03	47.63	0.47	6.39	-	5,702.03
Depreciation expense	1,247.46	139.42	30.67	6.30	-	0.44	-	1,424.29
Impairment	-	-	(0.16)	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	(0.02)	-	-	-	-	-	-	(0.02)
At 31st March 2023	6,294.80	664.57	105.55	53.93	0.47	6.83	-	7,126.15
Depreciation expense	1,262.94	147.20	27.19	4.49	-	0.51	-	1,442.34
Impairment	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
At 31st March 2024	7,557.75	811.77	132.74	58.42	0.47	7.34	-	8,568.49

Net Book value	Plant & Machinery	Building- Office/Other	Office Equipments	Furniture & fixture	Transport Equipments	Electrical Equipment	Freehold Land	Total
<i>(₹ in Lakh)</i>								
At 31st March 2023	9,324.05	2,384.19	39.21	18.66	0.00	1.69	205.33	11,973.14
At 31st March 2024	8,701.39	2,260.46	29.75	14.22	0.00	2.36	205.33	11,213.51



Note 3A- ROU Asset
Components of Property, plant and equipment (including assets held under finance leases) are as follows:

Right of Use Assets for the Year ended 31 st March, 2024

Assets	Gross Block				Accumulated Depreciation				Net Block (₹ in Lakhs)
	As at April 2023 (Rs.)	Addition during the year (Rs.)	Sales/Disposals during the year (Rs.)	As at 31 st March, 2024 (Rs.)	As at April 2023 (Rs.)	Sales/Disposals during the year (Rs.)	Depreciation for 2023-24	As at 31 st March, 2024 (Rs.)	As at 31 st March, 2024 (Rs.)
Land-Leasehold	285.51	18.58	-	304.09	101.37	-	13.45	114.02	240.50
Building-Leasehold	15.05	-	-	15.05	12.23	-	2.82	15.05	-
Plant & Machinery-Leasehold	-	-	-	-	-	-	-	-	-
Vehicle-Leasehold	2,751.39	-	59.23	2,810.62	1,280.82	-	352.04	1,631.66	1,058.51
Total	3,051.95	18.58	-	3,070.54	1,394.42	-	368.11	1,763.53	1,307.01

Right of Use Assets for the Year ended 31 st March, 2023

Assets	Gross Block				Accumulated Depreciation				Net Block (₹ in Lakhs)
	As at April 2022 (Rs.)	Addition during the year (Rs.)	Sales/Disposals during the year (Rs.)	As at 31st March, 2023 (Rs.)	As at April 2022 (Rs.)	Sales/Disposals during the year (Rs.)	Depreciation for 2022-23	As at 31st March, 2023 (Rs.)	As at 31st March, 2023 (Rs.)
Land-Leasehold	285.51	-	-	285.51	88.43	-	12.95	101.37	184.15
Building-Leasehold	-	15.05	-	15.05	-	-	12.23	12.23	2.82
Plant & Machinery-Leasehold	1,077.68	1,673.71	-	2,751.39	821.36	-	459.46	1,280.82	1,470.57
Vehicle-Leasehold	1,363.19	1,688.76	-	3,051.95	989.77	-	484.65	1,394.42	1,657.54
Total	2,726.37	3,377.52	-	6,103.89	1,899.56	-	969.29	3,204.34	2,899.55



3B. Capital Work in Progress

CWIP Aging Schedule as on 31 st March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	2,221.24	636.70	763.38	-	3,621.30
Projects Temporary Suspended	-	-	-	-	-
Total	2,221.24	636.70	763.38	-	3,621.30

There is no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule as at 31 st March,2024 and as at 31 st March,2023.

CWIP Aging Schedule as on 31 st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	900.53	686.50	92.70	-	1,679.73
Projects Temporary Suspended	-	-	-	-	-
Total	900.53	686.50	92.70	-	1,679.73

Capital Work in Progress for the Year ended 31 st March,2024

Assets	Gross Block				Net Block			
	As at April 2023 (Rs.)	Addition during the year (Rs.)	Capitalization during the year (Rs.)	Disposal/Transfer (Rs.)	As at 31 st March,2024 (Rs.)	As at April 2023 (Rs.)	Provision and Impairment Loss For the year (Rs.)	As at 31 st March,2024 (Rs.)
A. Tangible								
Plant & Machinery	718.43	2,293.47	-	-	3,011.90	718.43	-	2,293.47
Less: Depreciation and related facilities	425.96	-	120.45	-	546.41	425.96	-	546.41
Computer & Software	51.86	-	-	-	51.86	51.86	-	51.86
Buildings	404.23	60.11	-	-	464.34	404.23	-	60.11
Others	-	-	-	-	-	-	-	-
B. Intangible	-	-	-	-	-	-	-	-
Total	1,679.73	2,353.58	120.45	-	3,001.38	1,679.73	-	2,353.58

Capital Work in Progress for the Year ended 31 st March, 2023

Assets	Gross Block				Net Block			
	As at April 2022 (Rs.)	Addition during the year (Rs.)	Capitalization during the year (Rs.)	Disposal/Transfer (Rs.)	As at 31 st March,2023 (Rs.)	As at April 2022 (Rs.)	Provision and Impairment Loss For the year (Rs.)	As at 31 st March,2023 (Rs.)
A. Tangible								
Plant & Machinery	3,401.40	716.71	298.52	708.39	3,708.24	3,401.40	-	306.84
Less: Depreciation and related facilities	645.54	151.54	278.13	-	1,075.21	645.54	-	429.78
Computer & Software	241.40	476.83	666.00	-	1,384.23	241.40	-	1,142.83
Buildings	372.58	81.08	-	-	453.66	372.58	-	81.08
Others	-	-	-	-	-	-	-	-
B. Intangible	-	-	-	-	-	-	-	-
Total	3,995.78	1,274.62	1,333.52	708.39	4,895.53	3,995.78	-	1,560.59



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

Note 4 - Financial assets

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
4A) Loans				
To Employees:				
Considered Good - Unsecured	21.70	-	24.25	-
(Including dues from KMP of Rs. 7,33,332)				
(Previous Year : Rs. 1,63,105)				
Total Loans	21.70	-	24.25	-
4B) Other financial assets				
Balance with bank deposits exceeding 12 months	-	25.74	-	-
Interest accrued but not due	252.10	-	200.01	-
Security Deposit Paid (Paid to BSNL & Others)	-	15.16	-	15.14
Total	252.10	40.90	200.01	15.14

Note 5- Deferred taxation asset/ liability

(₹ in Lakh)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Non current:		
Items leading to reversal of deferred tax liabilities		
Property, plant and equipment: impact of differences between tax depreciation and depreciation/amortization charged in the financial statements	106.04	143.61
Total deferred tax liability	106.04	143.61
Items leading to creation of deferred tax assets:		
Impact of right of use assets and lease liabilities	(6.70)	-
Provision for Expected Credit Loss	(24.92)	-
Total deferred tax assets	(31.62)	-
Deferred tax liability (Net)	75.22	143.61
Deferred tax assets/liabilities-net	75.22	143.61

Note 6 - Other Current/non-current assets

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Advance to Suppliers/Contractors:				
Considered Goods-Unsecured	9.56	-	-	-
Advance to Employees:				
Advance to Employee- Considered Good-Unsecured	0.40	-	0.15	-
Contingency & TA Advance- Considered Good-Unsecured	1.33	-	1.49	-
Prepayments				
Prepaid Expenses	36.42	-	910.24	-
Prepaid deposit (Rent)	0.49	-	-	-
Balance with Government Authorities:				
Advance TVAT Paid	0.88	-	-	-
Advance TRD Cess Paid	3.92	-	-	-
Application Money -Court Case & Sales Tax Assessment App	-	36.77	-	110.23
Defined Planed Assets:				
TNGCL Employees Welfare Trust	-	132.02	-	126.26
Total	52.99	169.59	911.88	236.49

Note 6A - Current Tax Assets(Net)

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
TCS Receivable	5.33	-	-	-
Tax Deducted at Source				
AY 2024-2025	66.39	-	-	-
AY 2023-2024	-	-	47.58	-
Income Tax Receivable for the AY 2023-2024	544.20	-	1,195.00	-
Advance Income Tax Paid	1,450.00	-	1,066.34	-
Less: Provision for Income Tax	1,217.54	-	176.24	-
Total	848.38	-	1,766.00	-



Note 7 - Inventories
(₹ in Lakh)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Stores & Spares:		
Stores & Spares (PNG Connection Materials)	60.83	107.94
Stock of O&M PNG Materials	-	-
Stock of O&M CNG Materials	219.92	268.81
Finished Goods:		
Stock of CNG at DHS, LCV & Mother Station	21.23	22.32
Stock of Natural Gas in Pipeline network	1.14	1.05
Total	303.13	400.12

1. The company has valued its closing stock as per IND AS 2, i.e., Cost and Net Realizable Value whichever is lower. Company has followed FIFO method for valuation of its Finished Goods. For stores & spares company has followed Weighted Average valuation Method.

2. The stock of gas in Pipelines and in Tanks in PNG /CNG stations is not held for the purpose of producing or providing goods and services. The stock gas in pipelines and tanks is held in the process of production and the stock of finished product in pipelines and the stock in tanks of finished product is meant for sale in ordinary course of business. Accordingly the stock of gas in pipelines and tanks is an inventory and not a PPE.

Note 8 Trade receivables
(₹ in Lakh)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Current:		
Unsecured:		
Considered good	1,395.03	1,720.47
Receivable which have significant increase in credit risk	63.85	35.15
Trade and other receivables	1,458.88	1,755.62
Less: Provisions for Expected Credit Loss	63.85	35.15
Total	1,395.03	1,720.47

1. The company has no system regarding identification the amount recovered as interest/ penalty from defaulting customer. Therefore, Interest and penalty recovered from customers were adjusted with sundry debtors.

2. For terms and conditions relating to related party receivables, refer to note 26.

3. Trade receivables are non-interest bearing and are generally on terms of not more than 30 days.

4. For methodology and calculation of expected credit loss, refer note 36.

Note 9 - Cash and Bank balances
(₹ in Lakh)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
9A) Cash and cash equivalents		
Balances with banks:		
- Current accounts	50.49	513.68
Deposit with maturity of less than 3 months	55.39	1,817.47
Cash in hand	75.69	51.59
Total	181.57	2,382.74
Particulars	As at	As at
	31-Mar-24	31-Mar-23
9B) Bank Balance others		
Earmarked accounts:		
Fixed Deposits kept under lien for issue of LC/BG :	9,838.68	4,689.08
Term Deposits:	2,271.90	2,223.01
Total	12,210.65	6,912.09



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

8A. Trade Receivables

Trade Receivables Ageing Schedule as on 31 st March 2024

Current Trade Receivables ageing schedule as on 31 st March 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable- Considered Good	1,039.03	126.23	194.47	99.10	0.05	1,458.88
(ii) Undisputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable- Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
	1,039.03	126.23	194.47	99.10	0.05	1,458.88
Less: Provision for Expected Credit Loss	63.85	-	-	-	-	63.85
Total	975.18	126.23	194.47	99.10	0.05	1,395.03

Current Trade Receivables ageing schedule as on 31 st March 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment #					Total
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade Receivable- Considered Good	1,630.35	100.97	24.30	-	-	1,755.62
(ii) Undisputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable- Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
	1,630.35	100.97	24.30	-	-	1,755.62
Less: Provision for Expected Credit Loss	-	17.78	17.38	-	-	35.15
Total	1,630.35	83.19	6.93	-	-	1,720.47



Note 10 - Equity share capital

(₹ in Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Share capital		
Authorised		
25,00,000 Equity Shares of INR 100 each	3,000	3,000
(Previous year 20,00,000 Equity Shares of INR 100 each)	3,000	3,000
Issued, subscribed and fully paid up		
(10,00,000 Nos. of Fully paid-up Equity Shares of INR 100/- each)	3,000	3,000
(Previous year 10,00,000 Equity Shares of INR 100/- each)	3,000	3,000

1. Terms/ rights attached to equity shares:-

The company has only one class of equity shares having par value of Rs. 100/- per share. For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held in total equity shares outstanding as on that date, in the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

2. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Particulars	31-Mar-24	31-Mar-23
Shares outstanding at the beginning of the year	30,00,000	30,00,000
(+) Shares issued during the year	-	-
(-) Shares bought back during the year	-	-
Shares outstanding at the end of the year	30,00,000	30,00,000

3. Details of Shareholders holding more than 5% shares in the Company:-

Particulars	31-Mar-24	31-Mar-23
Gail India Limited	14,69,300	14,69,300
Number of equity shares	48.98%	48.98%
% of holding		
Tripura Industrial Development Corporation Limited	7,65,306	7,65,306
Number of equity shares	25.51%	25.51%
% of holding		
Arsen Gas Company Limited	7,65,306	7,65,306
Number of equity shares	25.51%	25.51%
% of holding		

4. Details of Shareholding of Promoters:-

Shares held by Promoters at the end of 31st March 2024	No. of shares	% of total share	% change during the year
Gail India Limited	14,69,300	48.98%	-
Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-
Arsen Gas Company Limited	7,65,306	25.51%	-

Shares held by Promoters at the end of 31st March 2023	No. of shares	% of total share	% change during the year
Gail India Limited	14,69,300	48.98%	-
Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-
Arsen Gas Company Limited	7,65,306	25.51%	-

5. Details of shares held by Holding Company, Subsidiary or Associates of Holding Company or its Ultimate

At the end of 31st March 2024	No. of shares	% of total share
Holding Company:		
Gail India Limited	14,69,300	48.98%
At the end of 31st March 2023	No. of shares	% of total share
Holding Company:		
Gail India Limited	14,69,300	48.98%

Note 11 - Other equity

(₹ in Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Other equity:		
Retained earnings	16,710.89	14,934.71
Opening Balance	8,091.04	2,025.17
Add: Profit during the year	18.42	9.22
Less: Re-measurement gain/ (losses) on defined benefit plans (net of tax)	-	-
Less: Final Dividend for FY-2022-23	(204.54)	(209.21)
Total	20,609.04	16,710.89

Nature and purpose of reserves:

Retained earnings

Retained earnings refer to the accumulated net profit/(loss) of the company. Retained Earnings is a free reserve of the company and is used for the purpose of declaring dividend by the Company. Also it includes re-measurement gains on defined benefit plans which will not be re-classified to Statement of Profit & Loss in subsequent period.

Note 12 - Borrowings

(₹ in Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Non-current borrowings		
Secured Term loans		
- 50% Commercial Borrowing, Government	-	12.33
Less: Current maturities of long term borrowings	-	-
Total Non-Current Borrowings	-	12.33

(Loan drawn during the FY-2021-2022 from SHI Trustee Company Limited, carrying effective interest rate of 7.20% has been liquidated on 20.09.2023 secured by charge ID 100531792)



Note 13 - Trade Payables

(₹ in Lakh)

Particulars	As at	
	31-Mar-24	31-Mar-23
Trade Payable to Micro and Small Enterprises	297.92	225.86
Trade Payable to other than micro and small enterprises	195.09	151.33
Trade Payable to Related Party	666.27	760.11
Total	1,053.78	1,139.31

1. Trade payables are non-interest bearing and are normally settled on 60-day terms

2. For ageing schedule, refer Note 13A.

Note 14 - Other Financial liabilities

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Other financial liabilities at amortised cost				
Current maturities of borrowing	-	-	-	-
Others:				
Deposits/Retentions Money from Customers/Contractors/Others	2,655.19	-	2,627.40	-
Unpaid/Unclaimed Dividend	-	-	-	-
Liability For Capital Expenditure	100.63	-	95.68	-
Lease Liabilities-Current	-	-	-	-
Total other financial liabilities at amortised cost	2,755.84	-	2,717.15	-

Note 15 - Provisions

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Provisions for Gratuity Payable	2.82	104.89	11.99	95.01
Provisions for Leave Encashment	2.21	100.55	7.22	100.28
Total	5.03	213.44	19.21	195.29

Note 16 - Other Current/Non-Current liabilities

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Other Current/Non-Current liabilities				
Government Grants	5.90	55.71	6.52	62.13
TDS Payable	10.63	-	10.97	-
Goods and Service Tax Payable A/c	14.38	-	10.10	-
Goods & Service Tax (GST - ICG)	7.07	-	5.47	-
Professional Tax Payable A/c	0.38	-	-	-
TDS Payable	0.15	-	0.16	-
TVAT Payable	17.40	-	-	-
Central Excise Duty Payable	4.45	-	-	-
Other Provision-Audit Fee	4.16	-	3.90	-
ICICI Credit Card	3.62	-	-	-
Total	60.76	56.21	37.12	62.13

Note 17 - Contract liabilities

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Deferred Revenue	252.07	2,305.29	248.51	2,318.04
Total	252.07	2,305.29	248.51	2,318.04

Note 17A - Lease Liabilities

(₹ in Lakh)

Particulars	As at		As at	
	31-Mar-24		31-Mar-23	
	Current	Non current	Current	Non current
Opening Balance	-	1,686.24	-	477.64
additions During the Year	-	64.67	-	1,608.74
Deletions During the Year	-	-	-	-
Accretion of Interest	-	116.70	-	140.47
Lease Liabilities Paid During the Year	-	452.95	-	620.62
Closing Balance	-	1,414.45	-	1,606.24
Lease Liabilities-Current	358.26	-	308.05	-
Lease Liabilities-Non Current	-	1,056.19	-	1,117.59



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

13A. Trade Payables

Trade Payables Ageing Schedule as on 31 st March 2024

(₹ In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
i) MSME	207.92	-	-	-	-	207.92
ii) Others	845.87	-	-	-	-	845.87
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	1,053.78	-	-	-	-	1,053.78

Trade Payables Ageing Schedule as on 31 st March 2023

(₹ In Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
i) MSME	225.86	-	-	-	-	225.86
ii) Others	913.44	-	-	-	-	913.44
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	1,139.31	-	-	-	-	1,139.31



17B. Lease Liabilities

Company as Lessee:

(₹ in Lakh)

a. Lease Liabilities:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance	1,686.24	477.64
Adjustments for:		
Additions during the year	64.47	1,698.74
Deletions during the year	-	-
Accretion of interest	116.70	140.47
Foreign exchange loss on restatement of lease liability	-	-
Lease Liabilities Paid during the year	452.95	620.62
Excess Liabilities written back	-	-
Closing Balance	1,414.45	1,686.24
Lease Liabilities-Current	358.26	568.65
Lease Liabilities-Non Current	1,056.19	1,117.59

Maturity Analysis of Lease Liabilities:

As at 31st March 2024

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 Years	Total
Lease Liabilities(Current)	-	-	351.11	7.14	358.26
Lease Liabilities(Non-Current)	-	-	781.12	275.08	1,056.19
Total	-	-	1,132.23	282.22	1,414.45

As at 31st March 2023

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 Years	Total
Lease Liabilities(Current)	-	-	210.43	358.22	568.65
Lease Liabilities(Non-Current)	-	-	343.60	273.91	1,117.59
Total	-	-	554.10	1,132.13	1,686.24

Amount recognized in Statement of Profit and Loss

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation on right-of-use assets	369.11	484.65
Interest expense on lease liabilities	116.70	140.47
Expense relating to short-term leases	-	-
Expenses relating to low value assets-leases	-	-
Variable lease payments	-	-
Total	485.81	625.11

b. Right of Use Assets:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening Balance	1,657.54	453.42
Add: Additions during the year	18.58	1,888.76
Less: Deletions during the year	-	-
Less: Depreciation	369.11	484.65
Closing Balance	1,307.01	1,657.54



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

Note : 18 Revenue from Operations

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Income from operations		
Sale of CNG	19,426.47	17,475.91
Sales of PNG	8,795.57	8,883.28
Total	28,222.04	26,359.19

1. Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ In Lakh)

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue by type of customers		
Sale to Domestic customers	4,011.12	4,463.28
Sale to Industrial Customers	3,019.97	2,855.70
Sale to Commercial customers	1,764.48	1,564.30
Total revenue from contracts with customers	8,795.57	8,883.28
Timing of revenue recognition		
Services transferred over time	8,795.57	8,883.28
Total revenue from contracts with customers	8,795.57	8,883.28

2. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Trade receivables (Net)*	1,395.03	1,720.47
Contract liabilities		
Advances from customers	2,557.36	2,566.55

* Trade receivables are non-interest bearing and are generally on terms of 10 to 17 days.

3. Changes in contract liabilities

For details refer Note 18A.

4. For disclosure as per IND AS 115, refer Note No 18B.



Note : 19 Other Income

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on fixed deposits from banks	652.15	432.44
HP Rent for Computer from Employees	0.30	0.33
Misc. Receipts	74.81	143.47
Interest received on Soft Loan to Employees	0.70	0.84
Amortization of Govt Grants & Installation Cost	272.56	268.31
Interest Income	0.04	-
Interest Income (Notional)	0.003	-
Interest on Income Tax Refund	23.43	0.35
Total	1,024.00	845.74

Note : 20 Purchase of traded goods

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of Gas from related Party	13,301.90	14,473.30
Total	13,301.90	14,473.30

Note : 20A (Increase)/Decrease in Inventories of Stock in Trade Finished Goods, Work in Progress.

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year:-		
Work in Progress	-	-
Finished Goods	22.37	23.37
Stock in Trade		
Total	22.37	23.37
Inventories at the beginning of the year:-		
Work in Progress	-	-
Finished Goods	23.37	16.14
Stock in Trade	-	-
Total	23.37	16.14
Change in inventories of Stock in trade, Finished Goods & WIP	1.00	-7.24

Note : 21 Employee Benefit expense

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	349.27	363.10
Employer Contribution to PF	23.38	23.35
Leave Encashment	15.07	(33.84)
Company Contribution to Gratuity	8.46	8.70
Staff Welfare	16.23	13.30
Total	412.42	374.62

1. For details disclosure, refer Note 21A.



18A Changes in Contract Liabilities*(₹ In Lakh)*

Financial Year	Particulars	From Consumers(Rs.)
2023-24	Opening Balance	2,561
	Add: Addition During the year	252
	Less: Depreciation on CR (Current Liabilities)	266
	Closing Balance	2,547
Financial Year	Particulars	From Consumers(Rs.)
2024-25	Opening Balance	2,547
	Add: Addition During the year	-
	Less: Depreciation on CR (Current Liabilities)	242
	Closing Balance	2,305



18B Disclosure as per Ind AS 115 "Revenue from Contracts with Customers"

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The company has booked the revenue from its domestic customer at the year end on a provision basis for those consumers whose meter reading were not done/wrong meter reading has done/for other reasons, but the company has billing system on which these bills are editable till 15th May of the next financial year. In the previous year the difference revenue for the month of the march, 2023 of Rs. 19,28,642 which has been booked during the financial year 2023-2024. As per the management assumptions the effect of difference revenue are being booked under Revenue in the succeeding year considering materiality of this matter. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model in contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31st March 2024 as a result of the adoption of Ind AS 115 & AS 116. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted.

	31-Mar-24 As per Ind AS 115 (₹ in Lakh)	31-Mar-23 Previous Ind AS (₹ in Lakh)	Increase / (decrease) (₹ in Lakh)
ASSETS			
Non Current Assets			
Property, Plant and	11,213.51	11,973.14	(759.63)
Capital work-in-progress	1,821.38	1,679.73	2,141.65
ROU Assets	1,307.31	1,657.54	(350.23)
Financial Assets			
-Loans	-	-	-
-Other Financial Assets	40.90	15.14	25.76
Other Non-Current Assets	169.59	236.49	(66.90)
Subtotal (A)	16,552.38	15,562.03	990.35
Current Assets			
Inventories	303.13	400.12	(97.00)
Financial Assets			
-Trade receivables	1,395.03	1,720.47	(325.43)
-Cash and cash equivalents	101.57	2,382.74	(2,301.17)
-Other bank balances	12,210.65	6,912.09	5,298.56
-Loans	21.70	24.25	(2.54)
-Other Financial Assets	252.10	200.01	52.09
Other Current Assets	52.99	911.98	(858.99)
Current Tax Assets(Net)	840.38	176.24	672.15
Subtotal (B)	15,266	12,728	2,538
Total Assets (A+B)	31,817.93	28,289.83	3,528.11
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	3,000.00	3,000.00	-
Other Equity	20,609.04	16,710.89	3,898.14
Total equity (C)	23,609.04	19,710.89	3,898.14



LIABILITIES	31-Mar-24 As per Ind AS 115 (₹ in Lakh)	31-Mar-23 Previous Ind AS (₹ in Lakh)	Increase / (decrease) (₹ in Lakh)
Non Current Liabilities			
Contract liabilities*	2,305.29	2,310.04	(12.74)
Financial Liabilities	-	-	-
-Borrowings	-	12.33	(12.33)
Lease Liability	1,056.19	1,117.59	(61.40)
-Other Financial Liabilities	-	-	-
Provisions	213.44	195.29	18.16
Deferred Tax Liability	75.22	143.61	(68.39)
Other Non Current Liabilities	56.23	62.13	(5.92)
Subtotal (D)	3,706.36	3,848.99	(142.62)
Current Liabilities			
Contract liabilities*	252.07	248.51	3.55
Financial Liabilities	-	-	-
-Trade Payables	-	-	-
(i) total outstanding dues of micro and small enterprises	207.92	225.86	(17.95)
(ii) total outstanding dues other than (i) above	845.87	913.44	(67.58)
-Other Payables	-	-	-
-Other Financial Liabilities	3,763.84	2,717.15	46.69
Lease Liabilities-Current	350.26	568.65	(218.39)
Provisions	5.03	19.21	(14.18)
Other Current Liabilities	68.76	37.12	31.64
Subtotal (E)	4,501.73	4,729.95	(228.22)
Total Equity and Liabilities (C+D+E)	31,817.93	28,209.83	3,528.11

Statement of profit and loss for the year ended 31 March 2023

	31-Mar-24 As per Ind AS 115 (₹ in Lakh)	31-Mar-23 Previous Ind AS (₹ in Lakh)	Increase / (decrease) (₹ in Lakh)
Revenue from contract with customers	28,202.75	26,359.19	1,843.57
Revenue from contract with customers relating to F.Y. 2022-2023	19.29	-	19.29
Other income	1,024.80	845.74	178.26
Total Revenue	29,246.84	27,204.93	2,041.11
Cost of Sales	11,301.90	14,473.30	(1,171.40)
Changes in inventory	1.00	(7.24)	8.24
Excise duty	1,927.18	1,720.93	206.26
Employee benefits expenses	412.42	374.62	37.80
Depreciation and amortization expenses	1,811.45	1,908.94	(97.49)
Other expenses	6,783.19	5,635.57	1,147.62
Finance Cost	116.70	140.47	(23.77)
Total Expenses	24,353.84	24,246.59	107.25
Profit before tax	4,892.20	2,958.34	1,933.86
Tax expenses	-	-	-
Current tax	-	-	-
- Current Year	1,217.54	1,104.59	112.95
- Earlier Years	(344.49)	35.43	(379.92)
Deferred tax charge/ (credit)	(71.09)	(206.86)	134.97
Profit for the period	4,091.04	2,025.17	2,065.87
Other Comprehensive Income	10.42	9.00	1.42
Total Comprehensive Income	4,101.46	2,034.17	2,067.29

Earnings per share (₹)

- Basic, profit for the year attributable to ordinary equity holders of the ₹	136.37	67.51	68.86
- Diluted, profit for the year attributable to ordinary equity holders of the ₹	136.37	67.51	68.86

* Advance from customers to be classified as contract liabilities under Ind AS 115

* This includes Advance from Customers which was earlier presented as a part of Non financial liabilities



21A Employee Benefits

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet. Net employee benefit expense (recognised in Employee Cost) for the year ended 31 March 2024

(₹ in Lakh)

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Current Service Cost	1.87	3.81	2.04	17.18
Net interest Cost / (Income) on the Net Defined Benefit Liability	6.59	8.03	6.66	11.69
Actuarial (Gain)/ Loss	-	3.23	-	-62.70
Total expenses included in employee benefit expense	8.46	15.07	8.70	-33.84

Amount recognised in Other Comprehensive Income for the year ended 31 March 2023

Particulars	Gratuity	Gratuity
	2023-24	2022-23
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	-7.98	-12.13
Return on plan assets (excluding amounts included in net interest expense)	-	-
Experience adjustments	-	-
Recognised in other comprehensive income	-7.98	-12.13

Changes in the present value of the defined benefit obligation for the year ended 31 March 2024:

(₹ in Lakh)

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Present value of obligation at the beginning:	119.12	107.50	130.42	160.87
Current service cost	1.87	3.81	2.04	17.18
Interest cost	4.11	8.03	6.66	11.69
Transfer in	-	-	-	-
Benefits paid	-9.41	-11.80	-	-19.53
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	-7.98	3.23	-	-62.70
Defined benefit obligation at the end	107.70	110.77	119.12	107.50

Bifurcation of Present value of obligation at the end of the year as per revised schedule III of the Companies Act, 2013:

(₹ in Lakh)

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Current liability	2.82	2.21	11.99	7.22
Non-current liability	104.89	108.55	95.01	100.28
Defined benefit obligation at the end	107.70	110.77	106.99	107.50

The principal assumptions used in determining above-mentioned obligations for the Company's plans are shown below:

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Discount rate (in %)	7.20%	7.20%	7.45%	7.45%
Salary Growth rate per annum (in %)	8.00%	8.00%	11.70%	11.70%
Mortality rate (% of IALM 06-30)	100%	100%	100%	100%
Normal retirement age	60 years	60 years	60 years	60 years
Attrition Rate, based on age (per annum)				
Up to 30 years	2%	1%	3%	3%
31 - 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
Rate of Leave Availment (per annum)			0%	0%
Rate of Leave Encashment during employment (per annum)			0%	0%



A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11,764,820	9,917,060	12,117,915	9,868,042
(% change compared to base due to sensitivity)	9.20%	(7.9%)	9.60%	(7.8%)
Salary Growth Rate (- / + 1%)	10,576,274	10,951,366	10,170,079	10,888,793
(% change compared to base due to sensitivity)	(1.8%)	1.7%	-8.20%	1.8%
Attrition Rate (- / + 50% of attrition rates)	10,581,155	10,943,080	11,113,245	10,854,439
(% change compared to base due to sensitivity)	(1.8%)	1.6%	0.30%	1.4%
Mortality Rate (- / + 10% of mortality rates)	10,756,321	10,784,095	10,686,612	10,712,148
(% change compared to base due to sensitivity)	(0.1%)	0.1%	(0.1%)	0.1%

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11,660,647	9,868,042	11,851,017	10,171,643
(% change compared to base due to sensitivity)	9.10%	(7.8%)	10.2%	(8.20%)
Salary Growth Rate (- / + 1%)	10,479,861	10,888,793	9,808,385	12,118,953
(% change compared to base due to sensitivity)	(2.1%)	1.8%	(8.00%)	9.40%
Attrition Rate (- / + 50% of attrition rates)	10,529,060	10,854,439	10,777,147	11,042,883
(% change compared to base due to sensitivity)	(1.6%)	1.4%	0.30%	(0.30%)
Mortality Rate (- / + 10% of mortality rates)	10,686,612	10,712,148	11,078,531	11,075,010
(% change compared to base due to sensitivity)	(0.1%)	0.1%	(0.0%)	(0.0%)

Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Within the next 12 months (next annual reporting period)	9 years	9 years	10 years	12 years

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2023-24	2023-24	2022-23	2022-23
Within the next 12 months (next annual reporting)	2.02	2.21	11.99	7.22
Between 2 and 5 years	60.98	72.03	50.13	56.24
Between 5 and 10 years	19.63	12.56	37.13	20.86
Beyond 10 years	145.14	164.11	141.67	178.34
Total expected payments	236.57	250.92	240.91	262.65



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

Note : 22 Finance Costs

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest Expenses-Lease Liability	116.70	140.47
Total	116.70	140.47

Note : 23 Other Expenses (Refer Note No. 25)

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Repairs & Maintenance	1,424.60	1,346.68
Professional/Consultancy Service Fees	18.84	25.61
Dealer Margin/Commission on Sales(CNG)	394.23	440.13
Rent (Office/Lease)	18.05	10.51
Repairs & Maintenance-Others	16.68	3.94
Audit Fees	4.97	4.52
Insurance	26.39	29.72
Out of Pocket (Audit Expenses)	7.08	0.26
Electricity Expenses	246.14	222.18
Travel Expenses (TA to Directors, Employees etc.)	22.44	8.02
S&D Expenses (Sales/Business Promotion Exps)	0.25	4.75
Vehicle Running & Maintenance	31.26	34.54
Advertisement Expenses	0.60	4.89
Security Service Charges	135.89	194.13
Rates & Taxes (TVAT/TRD Cess/Others)	2,896.45	2,274.74
Corporate Social Responsibility (CSR)	65.25	62.21
Transportation Charges (CNG)	669.66	459.50
Charity and Donation	1.06	1.20
Other Expenses	803.36	508.03
Total	6,783.19	5,635.57

Details of payments to auditors:

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Payment to auditors:		
Statutory Audit Fee	1.89	1.75
Limited Review Fees	3.08	2.77
Tax audit Fee	-	-
Total	4.97	4.52



Note : 24. Tax Expenses

(₹ In Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	1,217.54	1,105
Deferred Tax	(71.89)	(206.86)
Earlier Year Tax	(344.49)	35.43
Total	801.16	933.16

a) Income tax related to items charged or credited directly to profit or

(₹ In Lakh)

Statement of profit or loss	Year ended 31 March 2024	Year ended 31 March 2023
Current income tax:		
Current income tax charge	1,217.54	1,104.59
Adjustments in respect of current income tax of previous year	(344.49)	35.43
Deferred tax:		
Relating to origination and reversal of temporary differences	(71.89)	(206.86)
Tax expense	801.16	933.16

b) Reconciliation of tax expense and accounting profit multiplied by

(₹ In Lakh)

	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax from continuing operations	4,892.20	2,958.34
Applicable Tax Rate	25.17%	29.12%
Tax at Indian Tax rate	1,231.00	861.47
Effect of Income not considered for tax purpose	(71.89)	206.86
Effect of Expense not allowed for tax purpose		
Adjustments in respect of current income tax of previous year	(344.49)	35.43
Adjustment for Tax Deducted at Source		
Impact on account of non deductible expenses for tax purposes	(13.46)	(170.59)
Income tax expense	801.16	933.16
Effective tax rate	16.38%	31.54%



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

Note : 25 Other Expenses

(₹ In Lakh)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Operation & Maintenance-CNG	1,094.62	990.42
Operation & Maintenance-PNG	329.98	356.26
Printing & Stationery	2.58	7.24
Professional Tax	-	0.03
Professional/Consultancy Service Fees	13.05	19.76
Postage & Telegram	0.59	0.21
Dealer Margin on Sales(CNG)	394.23	440.13
Legal Expenses	3.12	4.10
Office Rent	12.25	4.46
Repairs & Maintenance	16.68	3.94
Telephone, Fax & Internet Expenses	11.94	7.03
Lease Rent (CNG & PNG)	5.06	4.46
Bank Charges	76.92	21.22
Shed rent	0.74	1.58
Audit Fees	7.65	6.27
TA to Directors	9.92	1.53
Board Meeting Expenses	2.48	-
Electricity Expenses	246.14	222.18
Audit Expenses	7.08	0.26
Insurance	26.39	29.72
Conveyance Expenses	2.32	2.17
Misc. Expenses	4.26	6.50
Office House Keeping & Maintenance Expenses	-	0.71
Provision for Expected Credit Loss	63.85	35.15
Awareness on CNG & PNG / National Safety Day	8.50	1.27
Sales/Business Promotion Expenses	0.25	4.75
Vehicle Running & Maintenance	31.26	34.54
Notice & Advertisement	0.60	4.89
TA to Employees / Tour Expenses	12.52	6.49
Security Service Charges	135.89	194.13
Entertainment Expenses	4.40	5.41
TVAT	467.52	352.86
TVAT related to the A.Y. 2005-06 & 2006-07	48.97	-
News Paper, Books & Periodicals	0.17	0.26
Calendar & Dairy Printing Expenses	-	-
Website Maintenance Expenses	14.05	6.55
Rates & Taxes	9.61	8.77
Seminar, Conference & Training Expenses	0.06	-
India International Trade Fair	-	3.00
Industries & Commerce Fair Expenses	2.57	4.08
Festival Expenses	8.71	5.78
Fire Safety Day	0.80	-
TNGCL Foundation Day Celebration Expenses	6.94	7.37
Corporate Social Responsibility (CSR)	65.25	62.21
Water Charges	0.30	0.74
Canteen Running Expenses	0.96	0.24
Transportation Charges (CNG)	669.66	459.50
Billing System	62.13	46.68
Wages to Outsourced Staff (Service Charges)	119.70	109.10
Charity and Donation	1.06	1.20
PBGRB Bidding Expenses	130.30	15.00
Training & Recruitment Expenses	0.15	-
Interest on TVAT Payable	41.89	-
TRD Cess	2,370.34	1,913.08
Director Quarter Expenses	2.62	2.48
Manpower Cost - Deputation employee	234.17	219.84
Rent Prepaid -Amortization	0.00	-
Total	6,783.19	5,635.57



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

26A Contingent Liabilities

Claims made against the company not acknowledged as debts

(₹ in Lakh)

Particulars	31-Mar-24	31-Mar-23
Show cause/ demand notices received from government authorities/Other Agencies -		
Appeal has been filed vide No:E/77086/2019-DB dt:17-09-2019 at CESTAT, Kolkata against the Order No:03/Commissioner/CGST/AGT/2019 dated 06.06.2019 by Hon'ble Commissioner, Central Goods & Service Tax, Agartala	387	387
Appeal has been filed with CESTAT, Kolkata on 13-04-2021 against the Order of The Commissioner of Central Excise (Appeals), CGST, Guwahati.	52	52
Appeal has been filed vide No:Nil dt:03-06-2022 before The Assistant Registrar, Customs, Excise & Service Tax Appellate Tribunal, East Zonal Bench, Kolkata against the Order No:02/AGT/CE(A) GHY/2021 dated 01.03.2022 by Commissioner(Appeals), CGST, Guwahati.	20	22
Details of BG/LC:		
Bank Guarantee to Petroleum and Natural Gas Regulatory Board:		
Lien by State Bank of India	6,252	-
Lien by ICICI Bank	3,570	-
Performance Bank Guarantee for Agartala, West Tripura(EAAA), Gomati District GA and Manipura and Mizoram State GA and Bid Bond for 06 New Gas:		
Lien by State Bank of India	16	-
	10,297	461

26B Commitments

(₹ in Lakh)

	31-Mar-24	31-Mar-23
a. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	3,006	3,889

- a) The Company does not expect any reimbursement in respect of the above contingent liabilities.
b) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution of the arbitration/ appellate proceedings.

27 Related Party transactions

(A) Names of Related parties and nature of related party relationships

- (a) Entities which exercise control/ joint-control/ significant influence over the company
Gail (India) Limited
Tripura Industrial Development Corporation Limited
Assam Gas Company Limited

(b) Key management personnel

Mr. A Anbarasan- Managing Director
Mr. S C Reang - Director (Commercial)
Mr. Subrata Debnath- CPD
Mr. Pradeep Kr. Mahato- CS



The following table provides the total amount due to or due from the related parties as on 31 st March 2024 and 31 st March 2023 :

(₹ in Lakh)		
Particulars	31-Mar-24	31-Mar-23
Gail (India) Limited		
Profit & Loss		
Sale/ Purchase of goods	13,301.90	14,473.30
Other-Director Salary & Perks paid	234.17	219.84
Directors Qtr Rent	2.62	2.48
Dividend Paid	99.19	126.37
	13,637.89	14,821.98
Balance Sheet		
Trade Payable	625.28	738.61
Expenses Payable	19.94	21.50
Tripura Industrial Development Corporation Limited		
Profit & Loss		
Sale/ Purchase of goods	-	-
Other-Director Salary & Perks paid	-	-
Lease Arrangements	22.47	48.20
Dividend Paid	51.66	65.82
	74.13	114.02
Balance Sheet		
Trade Payable	-	-
Expenses Payable	1.66	1.33
Assam Gas Company Limited		
Profit & Loss		
Sale/ Purchase of goods	-	-
Other-Director Salary & Perks paid	-	-
Lease Arrangements	-	-
Dividend Paid	51.66	65.82
Key Managerial Personnel		
1. Mr. Subrata Debnath- CFO		
Balance Sheet		
Advance against salary	4.67	1.52
Profit & Loss		
Remuneration	37.91	37.75
2. Mr. Pradeep Kr. Mahata- CS		
Balance Sheet		
Advance against salary	2.67	8.11
Profit & Loss		
Remuneration	16.06	17.17

28 Segment Reporting

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the period year ended 31 st March 2024.

Entity wide disclosures:

I. Information about products and services:

The Company is in a single line of business of "Sale of Natural Gas".

II. Geographic Information's:

The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers and all assets are located in India only.



29. Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk which the entity is exposed to and how the company manages the risk. The Company is exposed to market risk, credit risk and liquidity risk.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It is a risk of changes in market prices such as foreign exchange rates and interest rates that will affect Company's income or the value of its holding of financial instruments.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and investing in fixed interest instruments.

Sensitivity analysis

The table below summarizes the impact of a potential increase or decrease on the Company's profit before tax, as applied to the variable element of interest rates on loans and borrowings. The increase/decrease is based on management estimates of potential interest rate movements.

Reporting period	Increase/decrease in basis points	Effect on profit before tax
Sunday, March 31, 2024		
Secured loan from SBI Commercial Branch	+100	-
Secured loan from SBI Commercial Branch	-100	-
Friday, March 31, 2023		
Secured loan from SBI A.D. Nagar Branch	+100	-
Secured loan from SBI A.D. Nagar Branch	-100	-

The sensitivity analysis is limited only to variable rate loans and borrowings and is conducted with all other variables held constant. The analysis is prepared with the assumption that the amount of variable rate liability outstanding at the balance sheet date was outstanding for the whole year.

(b) Foreign currency risk

The Company does not have significant exposure in currency other than INR.

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The contractual maturities of the Company's financial liabilities are presented below:

(₹ in Lakh)

As at 31st March 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	-	-	-	-	-
Interest-bearing loans and borrowings-Principal Payable	-	-	-	-	-	-
Trade and other payables	-	629.91	-	-	-	629.91
Expenses Payable	-	450.35	-	-	-	450.35
Liability For Capital Expenditure	-	108.65	-	-	-	108.65
Security Deposit (From Major Industrial Consumers)	89.90	-	-	-	-	89.90
Security Deposit Collected from the Consumers	1,822.67	-	-	-	-	1,822.67
Security Deposit Collected from Contractors	-	-	547.55	-	-	547.55
Earnest Money Deposit (EMD)	-	-	1,217.54	-	-	1,217.54
Security Deposit/Retention Money(Suppliers)	-	-	178.65	-	-	178.65
Total	1,912.57	1,188.90	1,943.73	-	-	5,045.20

(₹ in Lakh)

As at 31st March 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	-	-	-	-	-
Interest-bearing loans and borrowings-Principal Payable	-	-	-	-	-	-
Trade and other payables	-	742.51	-	-	-	742.51
Expenses Payable	-	400.69	-	-	-	400.69
Liability For Capital Expenditure	-	89.68	-	-	-	89.68
Security Deposit (From Major Industrial Consumers)	55.55	-	-	-	-	55.55
Security Deposit Collected from the Consumers	1,678.98	-	-	-	-	1,678.98
Security Deposit Collected from Contractors	-	-	709.72	-	-	709.72
Earnest Money Deposit (EMD)	-	-	14.40	-	-	14.40
Security Deposit/Retention Money(Suppliers)	-	-	168.83	-	-	168.83
Total	1,734.53	1,232.89	892.94	-	-	3,860.36



3. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure. There are no impairment losses on financial assets to be recognised in statement of profit and loss as on 31 March 2024 and for the comparative period as on 31 March 2023.

Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management does not expect any significant credit risk out of exposure to trade and other receivables, as the major part of the revenue is contributed by either through cash sales or sales to government owned oil marketing companies like IOCL, with a credit period ranging from 3 days to 45 days. Accordingly company does not expect any impairment loss on trade receivables.

The Board has established Credit Policy under which each customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The summary of the company's product wise Credit Period is tabulated below:

Product	Credit period
1. Compressed Natural Gas (CNG)	
(a) Oil Marketing Companies like IOCL, etc.	7 Days from the Invoice Receipt date
(c) Others	Cash and Carry Basis
2. Piped Natural Gas (Domestic)	15 Days from the Invoice date
3. Piped Natural Gas (Industrial)	3 Days from the Invoice Receipt date
4. Piped Natural Gas (Commercial)	15 Days from the Invoice Receipt date

Cash and cash equivalents: The company held cash and cash equivalents of INR 101.57 Lakh as at 31 March 2024 (31 March 2023: INR 1382.74 Lakh). The cash and cash equivalents are held with public sector banks and leading private sector Bank. There is no impairment on cash and cash equivalents as on the reporting date and the comparative period.



30 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

31 Accounting classifications and fair value measurements

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements:

As at 31st March 2024, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount 31-Mar-24	Fair value 31-Mar-24	Fair value (₹ in Lakh)		
			Level 1	Level 2	Level 3
Financial assets at amortized cost:					
Non current					
Loans and receivables	-	-			
Other Financial assets	-	-			
Current					
Trade receivables	1,395.03	1,395.03			
Cash and cash equivalents	181.57	181.57			
Other bank balances	12,210.65	12,210.65			
Loans	21.70	21.70			
Other Financial Assets	-	-			
Total	13,808.96	13,808.96	-	-	-
Financial liabilities at amortized cost:					
Non current					
Borrowings	-	-			
Other Financial Liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	207.92	207.92			
(ii) total outstanding dues other than (i) above	845.87	845.87			
Other Financial Liabilities	2,763.84	2,763.84			
Total	3,817.62	3,817.62			-

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are

As at 31 March 2023, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount 31-Mar-23	Fair value 31-Mar-23	Fair value (₹ in Lakh)		
			Level 1	Level 2	Level 3
Financial assets at amortized cost:					
Non current					
Loans and receivables	-	-			
Other Financial assets	-	-			
Current					
Trade receivables	1,720.47	1,720.47			
Cash and cash equivalents	2,382.74	2,382.74			
Other bank balances	6,912.09	6,912.09			
Loans	24.25	24.25			
Other Financial Assets	-	-			
Total	11,039.54	11,039.54	-	-	-
Financial liabilities at amortized cost:					
Non current					
Borrowings	-	-			
Other financial liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	225.86	225.86			
(ii) total outstanding dues other than (i) above	913.44	913.44			
Other Financial Liabilities	2,717.15	2,717.15			
Total	3,856.46	3,856.46	-	-	-

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, bank deposits, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.





Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

Note 35: Expected Credit Loss Calculation

FY 2021-22

(₹ In Lakh)

Customer	Disconnections	Turnover	% age	Average Rate
Domestic	32.80	3,045.85	1.08%	
Commercial	7.56	941.71	0.80%	
Industrial	12.22	1,526.17	0.80%	
Total	52.58	5,513.73		0.95%

FY 2022-23

(₹ In Lakh)

Customer	Disconnections	Turnover	% age	Average Rate
Domestic	17.78	4,463.28	0.40%	
Commercial	7.66	1,564.30	0.49%	
Industrial	9.72	2,855.70	0.34%	
Total	35.15	8,883.28		0.40%

FY 2023-24

(₹ In Lakh)

Customer	Disconnections	Turnover	% age	Average Rate
Domestic	32.03	4,011.12	0.80%	
Commercial	22.50	1,764.48	1.28%	
Industrial	18.34	3,019.97	0.61%	
Total	72.87	8,795.57	2.68%	0.83%

Average Disconnection Rate (Percentage of Turnover)

0.73%

63.85

Expected Credit Loss to be booked (₹ In Lakh)

ECL-Domestic				19.02
ECL-Commercial				30.37
ECL-Industrial				14.47
Total				63.85



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

36 Land & Building:

I. Lease Agreement of Land pending for execution in the name of the company as on 31st March 2024 are as under:

Sr. No.	Particulars line in the Balance Sheet	Description of Item of Property	Carrying Value (₹ In Lakh)	Title Deeds held in the name of	Whether held by the Promoter	Property held since date	Reason
1	ROU Assets	Premises No. 23 of AD Nagar	31.09	Tripura Industries Development Corporation of India	Yes	24.12.2005 & 22.08.2009 (annexure land)	TIDCI has asked for payment of Shed that was not present on the date of allotment. TNGCL has not agreed and is paying only Rent for the Leasehold Land.

- 37 **Disclosure regarding IND AS 23 "Borrowing Costs":**
The company has capitalised its borrowing cost in the assets including its Capital Work-In-Progress amounting Rs. 20,14,110 and for previous year of Rs. 19,73 Lakh.
- 38 **Disclosure regarding IND AS 36 "Impairment of Assets":**
In compliance of IND AS relating to Impairment of Assets, the company has physically verified and identified assets not in use but the company is not in the position to determine its carrying value of the assets. The company has entered into an agreement with MSTC Limited vide dated 27.01.2024 for valuation and selling of assets not in use. After assessing the carrying value of assets which are not in use, it will be recognised under assets held for sale. So, at the time of preparation financial statement the carrying value of assets and cost of sales could not be ascertained. Therefore, Impairment of Loss could not be booking during the F.Y. 2023-2024.
- 39 **Confirmation of Assets & Liabilities:**
I. Some balances of Trades & Other receivables, trade and other payables are subject to confirmation or reconciliation. Adjustment if any will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.
II. In the opinion of management, the value of assets, other than fixed assets and non-current investments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- 40 **Willful Defaulter**
The Company has not been declared as a willful defaulter by any bank or financial institution or any other lender as on 31st March 2024 and 31st March 2023.
- 41 **Benami Property**
The Company is not holding any Benami Property as on 31st March 2024 and 31st March 2023. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 42 **Registration of Charges or satisfaction with Registrar of Companies (ROC):**
During the financial year 2023-24, charge amounting to Rs. 127.49 crore was satisfied on 02.01.2024 in favour of SBI Cap Trustee Company Limited. The charges were satisfied within statutory timelines and no charge creation or satisfaction is pending.

As per our report of even date:
For D DAS & KAMALUDDIN
CHARTERED ACCOUNTANTS
FRN: 324916E

SK. Kamaluddin
Partner
M. No. - 958107

Place : Agartala
Date: 10.05.2024
UDIN: 24058107BJZZXE7649




S C Reang
(Director Commercial)
DIN - 10132897


A Anbarasan
(Managing Director)
DIN - 09236359


Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321


Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854



Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

43 Disclosures of Ratios

Particulars	Basis/Formula	31-Mar-24	31-Mar-23	Increase / (decrease)	Explanation
		Ratio	Ratio		
Current Ratio	Current Assets	15265.56	12727.80		
	Current Liabilities	4501.73	4729.95		
		3.39	2.69	0.71	
Debt-Equity Ratio	Total Liabilities	31817.93	28289.83		
	Shareholders Equity	23609.84	19710.89		
		1.35	1.44	(0.09)	
Debt Service Coverage ratio	Net Operating Income(EBITDA)	6.820	5.008		
	Total Debt Service	1.056	1.130		
		6.46	4.43	2.03	
Return on Equity	PAT	4.091	2.025		
	Shareholder Equity	23,610	19,711		
		17.33%	10.27%	7.05%	
Inventory Turnover Ratio	Sales exclude other income	28,222	26,359		The difference is mainly due to increase in sales during the F.Y. 2023-2024.
	Average Inventory	351.62	617		
		80.26	42.72	37.54	
Trade Receivables Turnover Ratio	Total Sales	28,222	26,359		
	Trade Receivables	1,558	1,432		
		18.12	18.40	(0.29)	
Trade Payables Turnover Ratio	Net Credit Purchase	13,302	14,473		
	Average Payable	1,097	1,200		
		12.13	12.07	0.07	
Net Capital Turnover Ratio	Net Annual Sales	28,222	26,359		
	Average Working Capital	10,764	7,998		
		2.62	3.30	(0.67)	
Net profit Ratio	Revenue-Cost	4,091	2,025		
	Revenue	28,222	26,359		
		14.50%	7.68%	6.81%	
Return on Capital Employed	Net Profit	4,091	2,025		
	Capital Employed	27,316	23,560		
		14.98%	8.60%	6.38%	
Return on Investment	Net Income	4,091	2,025		
	Total Assets	31,818	28,290		
		12.86%	7.16%	5.70%	





PRINCIPAL ACCOUNTANT
GENERAL (AUDIT), TRIPURA

Ltr No: AMG-I Wing/2024-2025/DIS-2003224
Date: 05 Sep 2024

To,

- 1 The Managing Director
Tripura Natural Gas Company Limited
Shilpa Nigam Bhawan
Khejurbagan, Kunjaban
Agartala – 799006, West Tripura.

Subject: Issue of Comment : PR-126547- Comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the accounts of Tripura Natural Gas Company Limited for the year ended 31 March 2024.

Sir/Madam,

I am forwarding herewith Nil Comments certificate under Section 143 (6) (b) of the Companies Act, 2013 on the accounts of Tripura Natural Gas Company Limited for the year ended 31 March 2024.

Two copies of the printed annual accounts for the year as mentioned above together with the Directors' Report thereon may please be sent to this office for record.

The receipt of this letter may please be acknowledged.

Yours faithfully,

Encls: As above

Kavyadeep Joshi
Senior Deputy Accountant General (Audit)

Copy to:-

Ltr No : AMG-I Wing/2024-2025/DIS-2003224/C1/For Information
The Director General (NER) -I,
Office of the Comptroller and Auditor General of India,
9, Deen Dayal Upadhyay Marg,
New Delhi – 110124.



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TRIPURA NATURAL GAS COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of **Tripura Natural Gas Company Limited** (the Company) for the year ended **31 March 2024** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (the Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **10th May 2024**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Tripura Natural Gas Company Limited** for the year ended **31 March 2024** under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to the inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

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

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

**Place: Agartala
Date: 05th September 2024**



**(A. Pitoho Choppy)
Principal Accountant General (Audit), Tripura**



Annexure-IV

SECRETARIAL AUDIT REPORT





Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,
The Members,
M/s Tripura Natural Gas Company Limited
(CIN: U23201TR1990SGC003451)
Shilpa Nigam Bhawan, Khejur Bagan,
Kunjaban, Agartala-799006, West Tripura

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s TRIPURA NATURAL GAS COMPANY LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by **M/s Tripura Natural Gas Company Limited** and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records provided to us at the time of audit by **Company Secretary, of the Company** for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Memorandum and Articles of Association of the Company.
- (iii) Other Acts or Guidelines:
 - (i) Guidelines from the Ministry of Petroleum & Natural Gas.
 - (ii) Order, Instructions, Guidelines of the Dept of Public Enterprises, Govt. of Tripura.

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

Flat No 402, Block -C, Prakash Choudhury Hosing Complex "Prasanti Pride", Tarun Nagar

Guwahati :781005, Dist : Kamrup (M) Guwahati , Assam , India.



- (i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board & General Meetings.
- (ii) Joint Venture Agreement.

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

- (i) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- (ii) The Minimum Wages Act, 1948.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except in the following instances :

1. *The location of Directors attending the Board meeting through Video Conferencing is not mentioned in the Minutes of the 119th Board meetings held through Video Conferencing as per clause 7.2.2.1(e) of the Secretarial Standard-1 issued by the Institute of Company Secretaries of India.*
2. *Clause 7.2.2.2 of the Secretarial Standard-1 issued by the Institute of Company Secretaries of India requires that*

"Apart from the Resolution or the decision, Minutes shall mention the brief background of all proposals and summarise the deliberations thereof. In case of major decisions, the rationale thereof shall also be mentioned."

However in general it has been observed that few items under the minutes does not adequately disclose in brief the background of the proposal and the deliberations thereof and necessary care should be taken in this regards in future preparation of minutes.

3. *The Company has not constituted Internal Complaints Committee as required under Section 4(1) of the Sexual Harassment of Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the year under review, though there exists a congenial working environment for the workers of both the genders in the Company.*



4. *While going through the recordings of the Board meeting held through video conferencing, it was observed that the recordings lacked overall clarity in terms of the audio quality.*

We further report that:

Adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were being carried on with the requisite majority and no dissenting views have been recorded, as per the minutes of the meetings, the minutes were duly recorded and signed by the Chairman.

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

Based on the representation of the management, during the audit period, there are no specific events/actions having a major bearing on the Company Affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred above.

For Biman Debnath & Associates
Company Secretaries

CS Biman Debnath
(Proprietor)
C.P. No.5857
FCS No. 6717
UDIN: F006717F000681512

Date: 06/07/2024
Place: Guwahati



NOTICE OF ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 34th Annual General Meeting (AGM) of the Members of Tripura Natural Gas Co. Ltd will be held at Registered Office at Shilpa Nigam Bhawan, Khejur Bagan, Kunjaban, Agartala, Tripura-799006 on Monday, the 30th day of September, 2024 at 12.00 hrs. to transact the following business through Video Conferencing / Other Audio-Visual Means in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs: -

ORDINARY BUSINESS

1. To receive, discuss, consider and adopt the Audited Financial Statement for the Financial Year ending on 31st March, 2024 and the report of Board of Director's on the working and activities of the Company and Independent Auditors' Report thereon and the comments thereupon of Comptroller and Auditor General of India and to pass the following resolution as an **ordinary Resolution**.

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2024 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Independent Auditors' Reports and the comments thereupon of Comptroller and Auditor General of India be and are hereby received, considered and adopted."

2. To declare dividend for the financial year ended 31st March, 2024.
To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

"RESOLVED THAT Dividend @ 7.5% of profit after tax as per the audited Financial Statements for the financial year 2023-24, amounting Rs. 3,06,82,825/- (Rupees Three Crore Six Lakhs Eighty-Two Thousand Eight Hundred Twenty-Five only) to be distributed/paid to all the Shareholders in their respective shareholding ratio be & is hereby approved for the FY-2023-24."

3. To appoint statutory Auditor as when recommended by the Comptroller & Auditor General of India and authorized the Board of Directors to fix the remuneration for the year 2024-25 and to pass the following resolution with or without modification as an **ordinary Resolution**.

"RESOLVED THAT the Board of Directors of the company be and is hereby authorized to appoint Statutory Auditor as recommended by Comptroller & Auditor General of India for doing Statutory Audit for F.Y. 2024-25 and fix remuneration of statutory Auditor including quarterly audit."

SPECIAL BUSINESS

4. Approval of Remuneration of the Cost Auditor for the financial year 2024-25. To consider and if thought fit, to pass the following resolution with or without modification as an **ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 including any statutory modifications or re-enactment thereof, for the time being in force, M/s Mani & Co., Cost Accountants be & is hereby appointed as the Cost Auditor of the company to conduct audit of cost records for F.Y. 2024-25 at the stipulated Cost Audit Fees of Rs. 60,775/- excluding all taxes and out of pocket expenses like air fare, fooding, accommodation, local travelling expenses, XBRL conversion etc. shall be either re-imbursed to the Cost Auditor firm if incurred by them or will be paid directly by TNGCL in case they are arranged by the Company itself be and is ratified and approved."

Date: 09-09-2024
Place: Agartala

By Order of the Board of Director

Sd/-
Pradeep Kumar Mahato
Company Secretary



To
The Board of Directors, Members and Auditors

NOTES:

1. In view of the COVID 19 pandemic, in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2019 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail ids are registered with the Company and no physical copy of the Notice has been sent by the Company to any member.
2. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company in respect of shares held in physical form.
3. As per the above-mentioned circulars issued by the Ministry of Corporate Affairs, as physical attendance of members has been dispensed with, so there is no requirement for appointment of proxies. Accordingly, the facility for appointment of proxies by members will not be available for this meeting. However, corporate members are required to send to the Company, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.
4. The meeting allows two-way teleconferencing for the ease of participation of the members and the members.
5. Attendance of the members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
6. All the efforts feasible under the circumstances have indeed been made by the Company to enable members to participate and vote on the items being considered in the meeting,
7. During the meeting held through VC or OAVM facility, where a poll on any item is demanded or required, the members shall cast their vote on the resolutions only by sending emails through their email addresses which are registered with the company. The said emails shall only be sent at the designated email address :- pradeep_mahato@tngclonline.com
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
9. The results of voting shall be aggregated and declared at the Meeting of the Company by the Chairman.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

As required by sub section 1 of Section 102 of the Companies Act, 2013, the following explanatory statement set out all the material facts relating to Item No. 4 of the accompanying Notice.

Item No. 4

The Board of Directors, approved the appointment of M/s Mani & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records maintained by the company for the financial year 2024-25 ending 31st March, 2025.

In accordance with the provision of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified the members of the Company. Accordingly, the consent of the Members is sought for passing Ordinary resolutions as set out at Item No. 04 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025.

The Board recommends the resolution for the approval of the shareholders.

No Director, Manager, other key managerial personnel and relatives of the same are concerned or interested in the passing of this Resolution.



REGISTERED OFFICE

TRIPURA NATURAL GAS COMPANY LIMITED

CIN:U23201TR1990SGC003451

SHILPA NIGAM BHAWAN, KHEJUR BAGAN, KUNJABAN
AGARTALA, TRIPURA - 799006

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