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31st ANNUAL REPORT

TRIPURA NATURAL GAS COMPANY LIMITED

(A Joint Venture of Gail (India) Ltd. Govt of Tripura & Govt. of Assam)

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BOARD OF DIRECTORS



Shri Goutom Chakraborty
ED (CGD), GAIL
Chairman, TNGCL



Shri A. Anbarasan
CGM, GAIL
Managing Director, TNGCL



Shri T.K. Chakma, IAS
MD, Tripura Industrial Development Corporation Ltd.
Director, TNGCL



Shri Gokul Chandra Swarigyari
Managing Director, AGCL.
Director, TNGCL



Smt. Banani Debbarman
DGM, GAIL.
Director (Commercial), TNGCL

Company Secretary

Shri Pradeep Kumar Mahato

Statutory Auditors

M/s Sanat & Associates
Chartered Accountants
Agartala, West Tripura-799001

Secretarial Auditor

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

Cost Auditor

M/s Bandopadhyaya Bhaumik & Co.
Cost Accountant
Agartala, 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

त्रिपुरा नैचुरल गैस कम्पनी लिमिटेड
Tripura Natural Gas Company Limited
(A Joint Venture of GAIL (India) Limited,
Government of Tripura and Government of Assam)
CIN No : U23201TR1990SGC003451

NOTICE AGM

Notice is hereby given that the 31" 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 Thursday, the 30th day, September, 2021 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, 2021 and the report of Board of Director's on the working and activities of the Company and Independent Auditors' Report thereon and the comments (yet to be received) 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, 2021 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, 2021.
   To consider and if deemed fit, to pass the following as an Ordinary Resolution:

   "**RESOLVED THAT** Dividend Rs. 2,17,55,429/- (Rupees Two Crores Seventeen Lakh Fifty Five Thousand Four Hundred Twenty Nine only) which is 10% of net profit after tax as per the audited Financial Statements for the FY 2020-21 to be paid to all the Shareholders in their respective shareholding ratio be & is hereby approved for the FY-2020-21."

3. To appoint statutory Auditor as and as when recommended by the Comptroller & Auditor General of India and authorised the Board of Directors to fix the remuneration for the year 2021-22 and to pass the following resolution with or without modification as **an ordinary Resolution**.

   RESOLVED THAT the consent of the Company be and is hereby accorded the approval of the Appointment the Statutory Auditor M/s Sanat & Associates, Chartered Accountants, Agartala to do the job of Statutory Audit for the FY-2021-22 at a fees of Rs.1,20,000/- excluding GST ,for the 3rd Quarter ended December,2021 , 1st Quarter ended 30th June'2022 and 2nd Quarter ended 30th September'2022 at a fees of Rs.70,000 per quarter excluding GST.

SPECIAL BUSINESS

4. Approval of Remuneration of the Cost Auditor for the financial year 2021-22
   To consider and if thought fit, to pass with or without modifications, the following Resolution 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, the appointment of 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. 2021-22 by the Board at the stipulated Cost Audit Fees of Rs. 52,500/- excluding all taxes and out of pocket expenses be and is hereby ratified and approved."

Date: 08/09/2021
Place: Agartala

By Order of the Board of Director

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 M/s Mani & Co., *Cost Accountants, as Cost Auditors to conduct the audit of the cost records maintained by the company for financial year 2021-22 ending 31st March, 2022.*

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, 2022.

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.

TRIPURA NATURAL GAS COMPANY LIMITED

DIRECTORS` REPORT

Dear Members,

Your Directors are pleased to present the 31st Annual Report and the Company`s audited Financial Statement for the Financial year ended March 31, 2021.

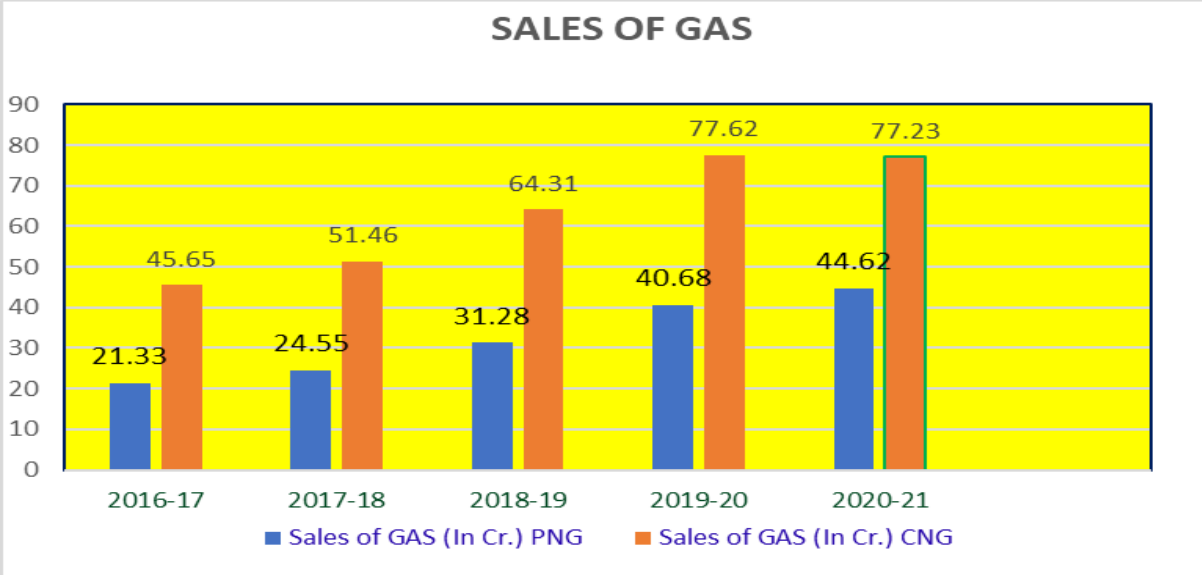
Tripura Natural Gas Company Ltd, is engaged in providing Natural Gas as an eco-friendly-easy on pocket source of fuel to Domestic, Commercial, Industrial and Automobile (CNG) segments in the state of Tripura. Since 1990, TNGCL has been consistent in creating robust CGD infrastructure in and around the capital city of Agartala, for GA ID#9.74- Gomati District and GA ID# 9.75- West Tripura (except the areas already authorized) District., The Company over the years has established itself as the pioneer of CNG Business in entire Eastern India.

GAIL (India) Ltd. took the management control of the Company in 2005, along with other stake holders - Tripura Industrial Development Corporation (TIDC) & Assam Gas Company Ltd (AGCL). With commendable visionary leadership, exemplary problem-solving skills and untiring efforts, the directors have been able to make TNGCL the fastest growing CGD entity in entire Eastern India within a very short period of time. TNGCL has been able to scale up number of Domestic PNG Connections from 44,764 to 49113 in 2021 March resulting an overall growth in tune of 9.71%, compared to last Financial Year. TNGCL over the years has been able to create popular demand for CNG as preferred fuel for automobile sector but due to covid-19 slight decline in CNG sales revenue by (0.50) %. While the overall project work reached a new height by creating robust CNG infrastructure. of total 21 (Twentyone) CNG stations by adding 7 (Seven) CNG station this financial year, the management also introduced bundle of employee benefit schemes, empowered its employees to carry out individual responsibilities more autonomously and ensured benchmark productivity per employee through continuous motivation and feedback mechanism

FINANCIAL RESULTS:

The Company`s financial performance, for the year ended March 31, 2021 is summarized below:-

Particulars	2020-2021 (Rs.`)	2019-2020 (Rs.`)
I. Gross Revenue from Operations	1,21,85,10,657	1,18,30,70,593
II. Other Income	6,37,80,674	6,94,33,522
III. TOTAL REVENUE (I + II)	**1,28,22,91,331**	**1,25,25,04,114**
IV. TOTAL EXPENSES	**97,44,86,341**	**1,00,22,17,663**
V. Profit before exceptional items and extra-ordinary items and Tax (III-IV)	**30,78,04,990**	**25,02,86,452**
VI. TAX EXPENSES: **Current Tax** **Deferred Tax**	 8,04,38,335 81,17,729	 6,56,61,922 (1,09,482)
VII. Profit (Loss) for the period (V-VI)	**21,75,54,286**	**18,65,45,745**
Earnings per Share **1. Basic** **2. Diluted**	 **72.52** **72.52**	 **62.08** **62.08**



DIRECTORS PROPOSE TO APPROPRIATE THIS AMOUNT AS UNDER :

Appropriations:	2020-21 (Rs.)	2019-20 (Rs.)
Adjustment of brought forward losses		
Towards Dividend	-	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance carried forward to Balance Sheet	**21,75,54,286**	**18,62,28,065**

SUMMARIZED CASH FLOW STATEMENT:

Cash Flows :	2020-21 (Rs.)	2019-20 (Rs.)
Inflow/(Outflow) from operations	39,03,05,796	29,70,47,596
Inflow/(Outflow) from investing activities	(38,44,84,487	(20,43,42,322)
Inflow/(Outflow) from financing activities	(2,29,05,193)	(3,19,86,153)
Cash and Cash equivalents	9,70,40,062	3,63,20,940
Net Increase/(decrease) in cash & cash equivalent	**7,99,56,178**	**9,70,40,061**

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 in the most difficult region of the country having a total of 880.60 Km of interlinked PE pipelines and 6.95 Km of Steel Pipeline to cater to entire city of Agartala and the adjoining areas.

With joining of GAIL in 2005 as a major stake holder, TNGCL has grown phenomenally, creating robust CNG infrastructure. With just one CNG station in 2007, now TNGCL has total 21 (Twenty-one) CNG stations by adding 7 (Seven) CNG station this financial year for clean air to the environment and adding value to the ecology & future generation.

The financial result of the Company in 2020-21 has been phenomenal, breaking all previous records of the Company.

While the turnover of the Company grew by 2.38% from previous year's total revenue of Rs.`125.25 Crores to Rs.`128.22 Crores in 2020-21, the profit grew by 16.82% thus keeping the upward trend. The Net Worth of the Company also grew by 15.69% as compared to last Financial Year, while there had been an increase of 22.98% in Profit Before Tax (PBT).

Particulars	Previous Year 2019-20 (Rs.)	Current Year 2020-21 (Rs.)	Increase / Decrease	
			(Rs.)	%
Revenue	1,25,25,04,114	1,28,22,91,331	2,97,87,216	**2.38 %**
Profit (PAT)	18,62,28,065	21,75,54,286	3,13,26,222	**16.82 %**
PAT %	14.87%	16.96%	2.09%	
Profit Before Tax (PBT)	25,02,86,452	30,78,04,990	5,75,18,538	**22.98%**
PBT (%)	19.98%	24.00	4.02%	
Net Worth	1,34,69,09,549	1,55,82,19,981	21,13,10,432	**15.69%**
Book Value (Rs./Share)	100	100		

SHARE CAPITAL:

The Authorised 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-2020-21, 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 yet to be received.

DIVIDEND

The Functional management is going to place the agenda for recommendation of dividend @10% on net profit after tax as per audited financial statements for the financial year 2020-21 to all the shareholder subject of approval in upcoming 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, 2021 is yet to receive and the same has to be placed before the shareholders for consideration at 31st Annual General Meeting.

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 4,349 new domestic consumers during the FY-2020-21. With the introduction of Online Payment Gateway through customer self service module in Company's website, the net realization has surpassed all previous records.

TNGCL has identified new areas within the authorized Geographical Areas where PNG connectivity is technically feasible and have 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

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 2020-21, total number of commercial connections to 491.

Financial Year	Number of Commercial Connections
2015-16	322
2016-17	366
2017-18	415
2018-19	415
2019-20	430
2020-21	491

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 62 industrial units.

PHYSICAL INFRASTRUCTURE:

The Company has opened more areas under PNG Network within Agartala GA, thereby covering almost 85% of the city. During 2020-21, TNGCL has been able to lay a total of 880.60 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
Growth in Physical Infrastructure		

CNG BUSINESS:

TNGCL has been the pioneer of CNG Business in entire Eastern India. Way back in 2007, TNGCL unveiled its first CNG station at Arundhuti Nagar, Agartala. As the demand for CNG grew up, Now TNGCL has total 21 (Twenty One) CNG stations by adding 7 (Seven) CNG station this financial year.

The Company has been able create 245 Km long CNG corridor from Khowai to Amarpur, Tripura.

Considering the prolonged curfew imposed by State Authorities through restricting the vehicle movement due to COVID-19, this has attributed TNGCL to registered a slight decline of 0.50% on CNG sales revenue.

CNG Sales (by revenue) for FY 2020-21 and comparison increase /(decrease) with last Year			
Previous FY 2019-20	Current FY 2020-21	Increase/ (Decrease)	[In `] Percentage Increase/(Decrease)-%
77,61,87,967	77,23,02,991	(38,84,976)	(0.50) %
Overall % increase in CNG Sales Compared to Last Financial Year			**(0.50) %**

ACHIEVMENT:

PNGRB had invited bidding for 86 Geographical Areas (GA) for development of CGD Network in 2018. Out of these 86 GA's,two GA's are from Tripura -Gomati Tripura & West Tripura (Excluding areas already authorized).

TNGCL has participated in the bidding process for two GAs viz Gomati District, (GA-9.74) and West Tripura (Except areas already authorized) District (GA-9.75) in the state of Tripura and has successfully won the bids.

TNGCL has already submitted Performance Bank Guarantee of Rs.8 Crores for Gomati District(GA-9.74) and Rs.15 Cores for West Tripura (Except areas already authorized) District (GA-9.75) as applicable. The entire Bank Guarantee amount i.e. Rs.23 Cores has been arranged from Internal Generation.

To meet the estimated project expenditure of Rs.160.74 Crores, the Authorised Share capital of TNGCL was already raised from Rs.10 Crores to Rs. 30 Crores and paid up capital was also raised from Rs. 3.92 Crores to Rs. 30.00 Crores. State Bank of India has also sanctioned the Term loans of Rs. 104.48 Crores to part fund the projects.

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.

HUMAN CAPITAL:

Various initiatives and continuous up-gradation of existing systems for proper nurturing of human capital has been the motto of your Company. In this financial year company Considering the concept of an increase in productivity depends, inter alia, upon the vitality of the management initiative, drive sustained enthusiasm, competence and technical knowhow, TNGCL Management implemented/approved different types of Training / Management Development program for TNGCL employees. The programme were conducted in classroom Method, lecture, conference, case study, Role playing etc.

The ICFAI University, Tripura is the knowledge partner of TNGCL for developing employees. The programme were conducted by ICFAI University on topics of Role of Leadership for growth ,Finance for Non finance Business, Managers Strategy & Policy for organizational development, Conflict Resolution, Negotiation and Communication, Compressed Bio Gas as Sustainable Alternative of Natural Gas, Effective team work and interpersonal skill" and "Time management, Awareness Programme on Contract Management and Relevant Legal Terminology. The program on CGD Business – Regulatory, Project Execution& Operational Perspective etc.

Total Number of TNGCL Employees (as on 31/03/2021)

Executive = 18 nos.

Non executive = 04 nos.

TOTAL employees = 22 Nos.

SAFETY

HSE: During the year **2020-21**, 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 **2020-21**, the Company has undertaken major CSR activities as per CSR guideline and commitment of the Company and the Management has spent Rs.44.89 Lacs in CSR activities under section 135 of Companies Act, 2013. **Detailed Annexure- A**

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:

Pursuant to Joint Venture Agreement, the Chairmanship of the Board is retire by rotation in the Annual General Meeting,

Since the date of last Annual General Meeting held on 03.11.2020 the Board comprised of the following members:-

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Mrs. Banani Debbarman	Director (Com)	26.04.2018	-
2	Shri K. B. Singh	Chairman & Director	10.10.2019	01.01.2021
3	Shri B. Sinha	Managing Director	21.05.2019	11.06.2021
4	Shri Gokul Chandra Swargiyari	Director	30.09.2019	-
5	Shri Goutam Chakraborty, ED (CGD),	Chairman & Director	14.01.2021	-
6	Shri Asim Prasad, Zonal CGM, GAIL	Director	01.01.2021	14.01.2021
7	Shri P.K. Goyal, IAS	Director	02.12.2019	18.02.2021
8	Shri Raval H. Kumar, IAS	Director	18.02.2021	17.05.2021
9	Shri A Anbarasan	Managing Director	21.06.2021	-
10	Shri T.K. Chakma, IAS	Director	16.06.2021	-

The Board places on record its deep appreciation for the valuable contribution made by Shri K.B.Singh, during his tenure as Chairman of the Company who demitted office with effect from effective 01.01.2021.

The Board places on record its deep appreciation for the valuable contribution made by Shri B. Sinha during his tenure as Managing Director of the Company who demitted office with effect from effective 11.06.2021.

The Board places on record its deep appreciation for the valuable contribution made by Shri Asim Prasad during his tenure as Director of the Company who demitted office with effect from effective 14.01.2021.

The Board places on record its deep appreciation for the valuable contribution made by Shri Dr. Parshant Kumar Goyal, IAS during his tenure as Director of the Company who demitted office with effect from effective 18.02.2021.

The Board places on record its deep appreciation for the valuable contribution made by Shri Shri Raval H. Kumar, IAS during his tenure as Director of the Company who demitted office with effect from effective 17.05.2021.

The Board noted the appointment of Shri Goutom Chakraborty, ED (CGD), GAIL as Chairman in the Board of TNGCL.

The Board noted the appointment of Shri A Anbarasan, CGM (GAIL) as Managing Director in the Board of TNGCL.

The Board noted the appointment of Shri T.K. Chakma, IAS, MD, TIDCL as Director in the Board of TNGCL.

Attendance of each Director at Board Meeting

Sl.No.	Name	Total meetings held	Meetings attended
1	Shri K. B. Singh, Chairman	3	3
2	Shri B. Sinha, Managing Director	5	5
3	Banani Debbarman Director (Comm.)	5	5
4	Shri Gokul Chandra Swargiyari, Director	5	3
5	Shri Asim Prasad, Director	1	1
6	Dr. P.K. Goyal, IAS, Director	4	2
7	Shri Raval H. Kumar, IAS, Director	1	1
8	Shri Goutom Chakraborty, Chairman	1	1

MEETINGS OF THE BOARD:

Five 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
104th	**12.05.2020**	Agartala
105th	**04.09.2020**	Agartala
106th	**02.11.2020**	Agartala
107th	**05.01.2021**	Agartala
108th	**23.03.2021**	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.

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 -B** 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 & is thus required to get its A/C's Audited by an Auditor duly appointed by CAG. For the FY-2020-21, CAG has nominated and Shareholders and the Board appointed, M/s Sanat & Associates, Chartered Accountants, at a fees of Rs. 120,000 (Rupees one Lac Twenty housand only) excluding GST and Rs.70,000 per quarter excluding GST 3rd Quarter ended December,2020 & 1st Quarter ended 30th June'2021,2nd Quarter ended 30th September2021.

For the Financial Year-2020-21, 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 Audited Statement of Accounts have been submitted to CAG for Supplementary Audit and the CAG Audit Report yet to be received.

INDEPENDENT AUDITOR:

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

For Financial year 2021-22 CAG has not yet appointed/recommended the Statutory Auditor of the Company, as CAG recommended the Statutory Auditor for Financial Year 2020-21, the same shall be placed before Shareholders at 31st Annual General Meeting to decide and fix the remuneration of the Statutory Auditor(s) of the Company as appointed by the Comptroller and Auditor General of India for the Financial Year 2021-22.

AUDIT OBSERVATION:

The Notes on financial statement referred to in the Auditors` Report are self-explanatory and do not call for any further comments. The Auditors` Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS:

TNGCL is not cover under Section 204 of Companies Act, 2013 for Secretarial Audit. TNGCL doing it on voluntary basis for Good Corporate Governance. 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 2020-21. The Secretarial Audit is in under process**.**

COST AUDITOR:

Pursuant to provisions of Section 148(3) of the Companies Act, 2013, the Company has appointed M/s M/s Bandopadhaya Bhaumik & Co. to undertake the Cost Audit of the Company for the Financial Year 2020-21. The due date for filing cost audit report of the company of the Company is 30 days from the receipt of Cost Audit Report. After receiving of Cost Audit Report, the same will be placed before the Board, the same shall be filed with MCA and the necessary action for the same is being taken.

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
2. Director (Commercial)
3. Director nominated by TIDC Ltd.

AUDIT COMMITTEE:

There is no Committee in existence in the Company. As the provisions regarding the appointment of Audit committee are not applicable to the Company. However, the Board is taking advice and proper consent from the Statutory Auditor of the Company from time to time as and when required regarding the same.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company have not entered into any related party transaction with Promoters, key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

For the Financial Year-2020-21, 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 has yet to be received. 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 2020-21 till the date of signing this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The details regarding energy conservation and technology absorption as required to be furnished pursuant to Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 as amended is not applicable during the period under consideration, since the Company is not engaged in manufacturing activity.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

RESEARCH AND DEVELOPMENT:

TNGCL with it's very limited resources has been able to ramp up its operations from the indigenously developed O&M practices which are in sync with industry benchmark process. The entire billing and accounting software has been developed in course rather than using market products like SAP or ORACLE. With growing business, TNGCL is committed towards developing benchmark practices in days to come.

Company`S Policy Relating To Directors 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. Sitting fees @ `15,000/- are given only to Non. Govt. official Directors.

INDUSTRIAL RELATIONS:

Industrial relations were cordial and harmonious throughout 2020-21. However, Pay Revision process of TNGCL Employees will be processed in month July as per direction of Board was given in the 100th Board of Directors Meeting held on 28th August, 2019. Board accordingly instructed the next pay revision exercise should be started by HR department at least 3 months before the due date of pay revision. The pay revision due date is 01.01.2022.

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:

The Company has not framed any specific Vigil Mechanism system till date but TNGCL Board has approved in its 105th Board meeting and Chief Vigilance officer of GAIL will be the CVO of TNGCL.

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

There were no cases reported for Sexual Harassment of Women at Workplace during the Financial Year 2020-21. Further, the company is taking effective steps for prevention and prohibition of Sexual Harassment of Women at Workplace. Your company taking up the necessary steps to constitute constitution of Internal Complaint Committee (ICC) under provision of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013, which is in under process.

FRAUD PREVENTION POLICY:

In view of the comments of Auditor General of India(C&AG) on the annual accounts of the company in compliance with the section 139 of the Company Act 2013 the "Fraud Prevention Policy" has been framed to provide a system for detection and prevention of fraud and on reporting of if any that is detected or suspected and for fair dealing of matters pertaining to fraud.

Further, 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 proposed 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 agenc(ies) doing any type of business with TNGCL.

The matter was discussed in the meeting with GAIL JV group at Delhi on 06.08.2015 at GAIL corporate office Delhi. JV group of GAIL corporate office, Delhi has forwarded a draft Fraud Prevention Policy based on which a Fraud Prevention Policy has been drafted and placed before the Board in the 79th Board meeting and Board has approved the same.

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, 2020, 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, 2021 and of the profit of the Company for the year ended on that date;

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.

For and on behalf of Board of Directors

SD/-
Goutom Chakraborty
(CHAIRMAN)

Date: 12.08.2021
Place: Delhi

Annual Report on CSR Activities **Annexure-A**

The Board Report

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, Director (Commercial) of the Company and Managing Director of Triprua Industrial Development Company Ltd. as members. Based on the 2% of the average of the net profits made during the 3 immediately preceding years, **Rs. 43,50,920/-** was available for taking up CSR projects in FY 2020-21, 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 2019-20, accumulated two per cent. of the average net profits of the company made during the three immediately preceding financial years

2% of Net Profit(PBT) of FY 2017-18-**Rs.37,95,218**
2% of Net Profit of FY(PBT) 2018-19-**Rs.42,49,973**
2% of Net Profit of FY(PBT) 2019-20-**Rs.50,05,729**

Rs.130,50,920 / 3 year average=Rs 43,50306

2%* Net Profit(PBT) of 3 years Average Profit for CSR is as per the provisions of the Companies Act, 2013 is Rs.43,50,306/- available for CSR activities for FY 2020-21

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

The prescribed CSR expenditure for FY 2020-21 as per provisions of Companies Act, 2013 was **Rs.43,50,306/-.**

5. DETAILS OF CSR SPENDS DURING THE FINANCIAL YEAR

1. **Total amount spent in the Financial Year 2020-21 is Rs. 44.89- Lacs.**.
2. **Amount unspent, if any-** : NIL/-

3. 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	Contribution of PM Cares to fight Covid-19 Pandemic	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)]	PM Cares Fund (Central level)	500000	500000	500000	Direct
2	Supply of cloth for making mask to fight Covid-19 to AMC under and direct	["promoting health care including preventinve health care"]	Agartala, Tripura	576282	576282	1076282	Direct & Through Agartala Municipal Corporation (AMC)
3	Distribution of Food Items among needy people during lock down period of Covid-19 Pandemic	Eradicating hunger, poverty and malnutrition, [2]	Agartala, Tripura	505170	505170	1581452	Direct
4	CSR for Modern Psychiatric Hospital, Agartala Cot & Beds and Water Dispensers	["promoting health care including preventinve health care"]	Agartala,Tripura	699139	699139	2280591	Direct

5	Jawharlal Nehru Balik Niwas (Orphan) School bags dress, umbrella, mask blankets etc.	promoting gender equality, empowering women, setting up homes and hostels for women and orphans;	Agartala Tripura	219314	219314	2499905	Direct
6	AMC - Implementation of Source Segregation of Waste Generated by Street Vendors in Agartala City	conservation of natural resources and maintaining quality of soil, air and wate	Agartala Tripura	720000	720000	3219905	Through Agartala Municipal Corporation (AMC)
7	Supply of laptop computer for technical eductioan for poor student Deserved and Poor Students	promoting education, including special education and employment enhancing vocation skills especially among children	Tripura	191455	191455	3411360	Direct
8	Skill Development Program with CIPET	promoting education, including special education and employment enhancing vocation skills especially among children	Agartala Tripura	648960	648960	4060320	Through Central Institute of Petrochemicals Engineering & Technology (CIPET)
9	Support to Martyred Soldiers Family- 2 families	measures for the benefit of armed forces veterans, war widows and their dependents, [9][Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];	Tripura	363000	363000	4423320	Direct

10	Sponshership of Sports for young and talented at Dasharatha Dev State sports Complex.	training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Agartala Tripura	66200	66200	4489520	Direct

6. REASON FOR LESS THAN STIPULATED EXPENDITURE: Not Applicable (Amount spent more than the prescribed CSR expenditure).

7. 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.

411 **FORM NO. MGT 9** **Anexure -B**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

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

I. REGISTRATION & OTHER DETAILS:		
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
		Indian Non-Government Company
5	Address of the Registered office & contact details	Shiipla Nigam Bhawan, Khejurbagan, Kunjaban, Agartala, Triprua-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	L40200DL1984GOI018976	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-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% 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) FIIs			-	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%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%

					422				
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%**

(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	ipura Industrial Development Corporation Lt	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. Asaam 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)	-	-	-	-

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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
	Name	Biswabrata Sinha	Banani Debbarman	(Rs/Lac)
	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	data yet to be receive	data yet to be receive	-
	(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)	-	-	-
	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				-
	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	Atanu Datta Choudhury	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		41,70,275.00	11,85,432.00	53,55,707.00
	(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	-	41,70,275.00	11,85,432.00	53,55,707.00

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					

BIMAN DEBNATH& ASSOCIATES
Company Secretaries

BIMAN DEBNATH
B. Com.., LLB, DTL., FCS.
Flat No- 402, Block-C, Prasanti Pride,
Prakash Choudhury Housing Complex,
Tarun Nagar, ABC, Guwahati-781005
Assam, India
Tele : 9365313716(O),9864028145(M)
8472815679(M)
Email:csbimandebnath@gmail.com,
csbiman@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration 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, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Due to restriction of movement on account of COVID-19 situation we have not conducted physical audit and have examined the books, papers, minute books, forms and returns filed and other provided to us through email and through Virtual mode as and when required at the time of audit by **CS, TNGCL** for the financial year ended on 31st March, 2021 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.

BIMAN DEBNATH
B. Com.., LLB, DTL., FCS.
Flat No- 402, Block-C, Prasanti Pride,
Prakash Choudhury Housing Complex,
Tarun Nagar, ABC, Guwahati-781005
Assam, India
Tele : 9365313716(O),9864028145(M)
8472815679(M)
Email:csbimandebnath@gmail.com,
csbiman@gmail.com

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

(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:

Regarding the compliance of other applicable laws, the Company Secretary of the Company have certified and reported that there is no non compliance on the part of 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 the following:

1. *The place of signing of the minutes as per clause 7.6 of the Secretarial Standard-1 issued by the Institute of Company secretaries of India is not mentioned in the 104th Board meeting minute.*

We further report that:

Since, the paid up capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crore Only) Section 204 of the Companies Act, 2013 relating to Secretarial Audit are not applicable to the Company, thus this Secretarial Audit Report is obtained voluntarily by the Company.

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

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

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Assam, India
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8472815679(M)
Email:csbimandebnath@gmail.com,
csbiman@gmail.com

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: F006717C000888136

Date: 03/09/2021
Place: Guwahati

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Ph. No.: 9436581502 / 8787354119

CA. Gautam Saha
B.Com (Hons), FCA
Ph. No.: 9903099251

Ref. No .....

INDEPENDENT AUDITORS' REPORT

Date .....

To

The Members of Tripura Natural Gas Company Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of Tripura Natural Gas Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the 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 financial statements give the information required by the Companies Act 2013 ("Act") 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 31st March 2021, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made

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there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015** and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal 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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit

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matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the **Companies (Auditor's Report) Order, 2016** ("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 Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31st March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses

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an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; 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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

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

For SANAT & ASSOCIATES
Chartered Accountants
Firm Registration No.317076E

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-317076E H.O AGARTALA B.O KOLKATA

CA Dinen Majumdar
(Membership No. 504491)
PARTNER.

UDIN : 21504491AAAAKA5074

Place: Agartala
Date: 02/06/21

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Annexure "A" to the Independent Auditor's Report*

Ref. No ..... *Date* .....

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of Tripura Natural Gas Company Limited of even date on the standalone financial statements for the period ended 31st March 2021.

1. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

During the FY 2020-21, physical verification of all the PNG connection materials was conducted. However, no physical verification of CNG store materials has not been carried on by the management during the year due to Covid-19 Pandemic. Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the financial statements.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the

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financial statements, the lease agreements are in the name of the Company.

Ref. No ..... *Date* .....

2. The inventory of the Company comprises of stores and spares and inventory of natural gas. On the basis of information's and explanations provided by the management, the Company has a regular programme of physical verification of inventories of stores and spares. In our opinion, the frequency of such verification is reasonable.

   During the FY 2020-21, physical verification of all the PNG connection materials was conducted. There was no material discrepancies noticed during such physical verification

   However, no physical verification of CNG store materials has been carried on by the management during the year, due to Covid-19 Pandemic and the stock valuation has been done on the basis of reports of the Stock register maintained by the Company.

   The Company has also estimated and accounted the natural gas and CNG that remains in the pipe line network and the CNG cascades etc.

   Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification of CNG store materials and the stock of CNG at the DBS, LCV and Mother stations and whether they are properly dealt with in the financial statements.

3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.

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Ref. No. .....In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013. Date .....

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In respect of statutory dues:

(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 account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.

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(x). According to the information and explanations given to us and the records of the company examined by us, the details of dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute are as follows:

Nature of the Statute	Nature of dues	Amount (Rs.in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
VAT Laws	TVAT and Interest	115.35	2005-06 & 2006-07	High Court of Tripura
Central Excise Act,1944	Excise Duty	386.94	26.07.2012 to 25.07.2017	CESTAT,Kolkata
Central Excise Act,1944	Excise Duty	58.97	27.07.2017 to 30.04.2018	Commissioner of Central Excise (Appeals), CGST, Guwahati
Central Excise Act,1944	Excise Duty	22.47	01.05.2018 to 31.10.2018	Asst. Commissioner, Central Goods & Service Tax, Agartala

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Ref. No..... Date .....

(a) Case with Tripura Sales Tax Department :Appeal Case No:21-22/Ch.VII/2012

Appeal Case No:21-22lCh.V,/2012 filed by the Company against the Assessment order dated:28/09 /2011 for the TVAT Assessment for the financial year 2005-06 & 2006-07 issued by The Superintendent of Taxes, Charge-V .The Company has already deposited Rs. 73,46,159/- with the Superintendent of Taxes, Charge-V as appeal money on 23-02-2012.
The judgment received has been against the Company vide 21-22/Ch.VII/2012/1225-26 dt:21-03-2014 passed by the Appellate Authority to deposit Rs.1,15,34,682/-proposing waiving 50% penalty. TNGCL later filed on 11/06/2014 before The Revisional Authority, the Commissioner of Taxes, Agartala to review the order passed by The Appellate Authority.
Order dated: 11-12-2015 has been issued by the Revisional Authority w.r.t. TNGCL's Case No:21-22/Ch.VII/2012 for the period 2005-06 & 2006-07 & Revision case 04 & 05/CH-VII/2014 reducing the penalty by 50%.
Accordingly, superintendent of Taxes, Charge-VII has called for re-assessment on 15-02-2016 vide letter no: F.TIN/16041027012/ST/CH-VII/708 dt: 27-01-2016 and later on issued demand notice for Rs. 25,90,294/- for the financial year 2006-07 and Rs. 15,93,238/- for the financial year-2005-06 reducing the penalty by 50% for both the financial years but keeping 100% interest.

The Company has filed stay order petition with The Hon'ble High Court, Agartala & the Case `is presently lying with The Hon'ble High Court, Agartala.

(b) Case –TNGCL vs CESTAT,Kolkata

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 .The total demand raised by the Commissioner, Central Goods & Service Tax, Agartala Rs.3,86,93,975/-.

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(c) Case –TNGCL vs Commissioner of Central Excise (Appeals),CGST,Guwahati

Ref. No ..... *Date* .....

Appeal has been filed vide No:E/77201/2019 dt:10-10-2019 before The Commissioner of Central Excise (Appeals),CGST,Guwahati against the Order No:02/Joint Commissioner/CGST/AGT/2019 dated 05.09.2019 by Joint Commissioner, Central Goods & Service Tax, Agartala. The total demand raised by the Joint Commissioner, Central Goods & Service Tax, Agartala Rs. 58,97,409 /-.

8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.

9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

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According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SANAT & ASSOCIATES
Chartered Accountants
Firm Registration No.316076E

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-316076E H.O AGARTALA B.O.KOLKATA

CA Dinen Majumdar
(MembershipNo.504491)
UDIN : 21504491AAAAKA5074
PARTNER

Place: Agartala
Date: 02/06/21

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Annexure "B" to the Independent Auditor's Report

Ref. No. ..... Date .....

Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Tripura Natural Gas Company Limited of even date on the standalone financial statements for the year ended 31st March 2021.

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tripura Natural Gas Company Limited ("the Company") as at 31st March 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued

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CA. Dinen Majumdar
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CA. Gautam Saha
B.Com (Hons), FCA
Ph. No.: 9903099251

Ref. No. ..... Date .....

by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of internal financial controls over financial reporting

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

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disposition of the company's assets that could have a material effect on the financial statements.

Ref. No. ..... *Date* .....

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SANAT & ASSOCIATES
Chartered Accountants
Firm Registration No.316076E

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-316076E H.O AGARTALA B.O KOLKATA

CA Dinen Majumdar
(MembershipNo.504491)
UDIN : 21504491AAAAKA5074
PARTNER.

Place: Agartala
Date: 02/06/21

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Ph. No.: 9903099251

Annexure "B" to the Independent Auditor's Report

Ref. No ..... *Date* .....

Directions under section 143(5) of the Companies Act, 2013

Sr. No.	Directions	Auditors Remarks	Impact on Financial Statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	On the basis of information and explanation given to us and on the basis of our examination of the records of the Company, the Company has been using Tally ERP 9 for its accounting, stores /stock accounting. No accounting transactions are processed outside IT systems. The company has computerized system for billing of its PNG Consumers and CNG consumer's which have been found effective.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	According to the information's and explanations given to us and on the basis of our examination of the records of the Company there are no cases of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan during the year under audit.	Nil
3	Whether funds received/ receivable for specific schemes	We have found no funds received/ receivable for specific schemes from central/	Nil

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B.Com (Hons), FCA
Ph. No.: 9903099251

Ref. No ..... *Date* .....

	from central/ state agencies ..... were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	state agencies which were not properly accounted for/ utilized as per its term and conditions.	

For SANAT & ASSOCIATES
Chartered Accountants
Firm Registration No.316076E

SANAT & ASSOCIATES * AGARTALA * CHARTERED ACCOUNTANTS FRN-316076E H.O.AGARTALA B.O.KOLKATA

CA Dinen Majumdar
(MembershipNo.504491)
UDIN : 21504491AAAAKA5074
PARTNER.

Place: Agartala
Date: 02/06/21

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Sub-Directions under section 143(5) of the Companies Act, 2013 for the Financial Year 2020-21

Ref. No ..... *Date* .....

Sr. No.	Query	Reply
1	Whether the company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?	Yes, the company's pricing policy absorbs all fixed and variable cost production and the overheads allocated at the time of fixation of price.
2	Comment on the confirmation of balances of trade receivables, trade payable, term deposit, bank accounts and cash obtained.	Confirmation of balances have been obtained for trade payables, term deposits, bank accounts and cash. Letter for confirmation of balances have been issued to all the major individual consumers.
3	Whether the company has effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?	The company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of account. The company has computerised system for billing of its PNG Consumers and outstanding recoveries are made as per the system.
4	Comment on the accuracy of capital reserve created during the year and amount of depreciation charged there against.	The company has created capital reserve during the year and the amount of depreciation has been charged there on as per Companies Act, 2013.
5	Whether the operating and maintenance expenses are of revenue nature only and hence chargeable to Profit & Loss account?	The operating and maintenance expenses are of revenue nature only and hence chargeable to Profit & Loss account.

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Ph. No.: 9903099251

Ref. No.

Date .....

For SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 316076E



CA. Dinen Majumdar
Partner
Membership No. 504491

Date : 02/06/21
Place : Agartala

Tripura Natural Gas Company Limited
Balance Sheet as at 31st March 2021
(Amount in INR, unless otherwise stated)

Particulars	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	1,04,78,83,307	79,54,87,986
Capital work-in-progress	3	12,23,34,485	3,97,31,823
ROU ASSET	3A	4,94,05,129	3,26,42,302
Financial Assets		-	-
-Loans	4A	10,74,595	1,18,220
-Other Financial Assets	4B	-	-
Other Non-Current Assets	6	2,15,38,521	1,07,50,515
Subtotal (A)		**1,24,22,36,037**	**87,87,30,846**
Current Assets			
Inventories	7	5,62,96,226	6,27,21,169
Financial Assets		-	-
-Trade receivables	8	10,51,92,277	10,64,91,968
-Cash and cash equivalents	9A	7,99,56,178	9,70,40,061
-Other bank balances	9B	76,72,81,146	77,19,03,121
-Loans	4A	1,37,90,876	2,26,13,876
-Other Financial Assets	4B	-	-
Other Current Assets	6	60,25,583	1,27,68,750
Subtotal (B)		**1,02,85,42,285**	**1,07,35,38,945**
Total Assets (A+B)		**2,27,07,78,323**	**1,95,22,69,791**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	30,00,00,000	30,00,00,000
Other Equity	11	1,25,82,19,981	1,04,69,09,549
Total equity (C.)		**1,55,82,19,981**	**1,34,69,09,549**
LIABILITIES			
Non Current Liabilities			
Contract liabilities	17	20,87,75,995	19,52,33,169
Financial Liabilities			
-Borrowings	12	-	-
-Other Financial Liabilities	14	-	-
Lease Liability	14	5,16,06,284	3,31,21,298
Provisions	15	2,87,50,654	2,95,01,926
Deferred Tax Liability	5	2,62,59,392	1,81,41,662
Other Non Current Liabilities	16	75,86,236	83,80,170
Subtotal (D)		**32,29,78,561**	**28,43,78,225**
Current Liabilities			
Contract liabilities	17	2,34,37,568	2,08,43,505
Financial Liabilities			
-Trade Payables			
(i) total outstanding dues of micro and small enterprises	13A	5,43,66,982	3,70,30,752
(ii) total outstanding dues other than (i) above	13A	1,85,41,659	1,73,88,977
-Other Payables	13B	7,70,200	5,87,640
-Other Financial Liabilities	14	27,57,54,331	23,77,66,774
Provisions	15	1,28,69,365	49,02,508
Other Current Liabilities	16	38,39,676	24,61,860
Subtotal (E)		**38,95,79,781**	**32,09,82,016**
Total Equity and Liabilities (C+D+E)		**2,27,07,78,323**	**1,95,22,69,791**

Refer accompanying notes to the financial statements

In terms of our report of even date
For SANAT & ASSOCIATES
Chartered Accountants
FRN: 317076E

CA. Dinen Majumdar
Partner
Membership No. 504491

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-317076E H.O AGARTALA B.O.KOLKATA

Banani Debbarman
(Director Commercial)
DIN -08119962

Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

Biswabrata Sinha
(Managing Director)
DIN -0008460725

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

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

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

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

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

Place: Agartala
Date: 02/06/2021

Tripura Natural Gas Company Limited
Statement of Profit & Loss for the Period ended 31 March 2021
(Amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
I. Revenue from Operations (Gross)	18	1,21,85,10,657	1,18,30,70,593
II. Other Income	19	6,37,80,674	6,94,33,522
III Total Revenue (I+II)		**1,28,22,91,331**	**1,25,25,04,114**
Purchase of gas	20	29,57,73,865	39,86,01,403
Change in inventories	20	(4,09,116)	(6,49,347)
Excise duty		7,63,59,202	7,93,09,596
Employee benefits expenses	21	6,57,90,335	8,05,22,429
Depreciation and amortization expenses	3	14,75,15,404	11,20,40,172
Finance Cost	22	42,82,386	65,78,704
Other expenses	23	38,51,74,265	32,58,14,705
IV. Total Expenses		**97,44,86,341**	**1,00,22,17,663**
V. Profit before Tax (III - IV)		**30,78,04,990**	**25,02,86,452**
VI. Tax Expenses		9,02,50,704	6,40,58,387
- Current Year	24	8,04,38,335	6,56,61,922
- Earlier Years	24	16,94,640	-
Deferred Tax	9	81,17,729	(16,03,535)
VII. Profit for the Period (V-VI)		**21,75,54,286**	**18,62,28,065**
Other Comprehensive income			
VIII. Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain/ (losses) of defined benefit obligations		(90,104)	4,27,162
Income tax effect relating to these items		23,094	(1,09,482)
		(67,010)	3,17,680
IX. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		**(67,010)**	**3,17,680**
Total comprehensive income (VII+ IX)		**21,74,87,276**	**18,65,45,745**

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

- Basic	**72.52**	**62.08**
- Diluted	**72.52**	**62.08**

In terms of our report of even date
For SANAT & ASSOCIATES
Chartered Accountants
FRN: 317076E

CA. Dinen Majumdar
Partner
Membership No: 504491

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN-317076E H.O AGARTALA B.O KOLKATA

Banani Debbarman
(Director Commercial)
DIN -08119962

Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

Biswabrata Sinha
(Managing Director)
DIN -0008460725

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
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Membership No-ACS31321

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

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

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

Place: Agartala
Date: 02/06/2021

Tripura Natural Gas Company Limited
Statement of Cash Flows for the year ended 31 March 2021
(Amount in INR, unless otherwise stated)

	Particulars	As at 31 March 2021	As at 31 March 2020
	Cash Flow from Operating Activities		
	Profit / (loss) before tax	30,78,04,990	25,02,86,452
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation	10,54,93,130	8,91,59,807
	Interest income	(3,29,70,102)	(4,14,56,927)
	Finance costs (including fair value change in financial instruments)	42,82,386	65,78,704
	Miscellaneous Reciepts	(69,23,453)	(55,48,670)
	Operating Profit before Working Capital changes	**37,76,86,951**	**29,90,19,367**
	Movements in working capital :		
	Increase/(Decrease) in trade payables	1,84,88,912	(1,45,59,829)
	Increase/(Decrease) in other payables	1,82,560	60,27,898
	Increase/(Decrease) in provisions	71,25,481	96,05,662
	Increase/(Decrease) in Other Financial Liabilities	3,79,87,557	3,30,89,777
	Increase/(Decrease) in Non Financial Liabilities	5,83,882	(4,82,311)
	Increase/(Decrease) in Contract liabilities	1,61,36,888	1,09,52,491
	Increase / (Decrease) in Lease Laibility	1,84,84,986	3,31,21,298
	Decrease / (Increase) in Non Financial assets	(40,44,839)	(54,51,772)
	(Increase)/Decrease in trade receivables	12,99,691	3,04,48,826
	(Increase)/Decrease in Inventories	64,24,943	(1,39,40,975)
	Decrease / (Increase) in Loans	78,66,625	(60,23,828)
	Decrease / (Increase) in ROU Asset	(1,67,62,827)	(3,26,42,302)
	Decrease / (Increase) in Other Financial assets	-	93,71,733
	Less : Direct Tax paid (net of refunds)	(8,11,55,015)	(6,14,88,438)
I.	**Net Cash Flow from Operating Activities**	**39,03,05,796**	**29,70,47,596**
	Cash Flow from Investing Activities:		
	Purchase of fixed assets	(35,79,97,942)	(14,32,08,942)
	Decrease/(Increase) in Capital Work in Progress	(8,26,02,662)	(3,08,00,307)
	Increase / (Decrease) in Share Capital	-	26,08,00,000
	Interest income	3,29,70,102	4,14,56,927
	Refund from Income Tax Dept	1,85,24,040	-
	Redemption / (increase) in Investments	46,21,975	(33,25,90,000)
II.	**Net cash flow (used in) investing activities**	**(38,44,84,487)**	**(20,43,42,322)**
	Net Cash Flow From Financing Activities:		
	Repayment of long term borrowings	-	(2,54,07,449)
	Interest paid	(42,82,386)	(65,78,704)
	Dividend paid	(1,86,22,807)	-
III.	**Net cash flow (used in) financing activities**	**(2,29,05,193)**	**(3,19,86,153)**
IV.	**Net (decrease) / In cash and cash equivalents (I+II+III)**	**(1,70,83,884)**	**6,07,19,121**
	Cash and cash equivalents (Opening)	9,70,40,062	3,63,20,940
	Cash and cash equivalents (Closing)	**7,99,56,178**	**9,70,40,062**

SANAT & ASSOCIATES CHARTERED ACCOUNTANTS FRN-317076E H.O.AGARTALA B.O.KOLKATA

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Ms. Bimani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

Tripura Natural Gas Company Limited
Statement of Changes in Equity for the period ended 31 March 2021
(Amount in INR, unless otherwise stated)

(a) Equity Share Capital	Amount Number	Amount Amounts in INR
Equity shares of Rs. 100 each issued, subscribed and fully paid		
As at 31 March 2019	3,92,000	3,92,00,000
Issue of share capital	26,08,000	26,08,00,000
As at 31 March 2020	**30,00,000**	**30,00,00,000**
Issue of share capital	-	-
As at 31 March 2021	**30,00,000**	**30,00,00,000**

(b) Other equity

For the period ended 31 March 2021:

Attributable to the equity shareholders		
	Retained earnings	**Total**
As at 31 March 2019	86,15,12,533	72,36,42,902
Profit for the year	18,62,28,065	18,62,28,065
Other comprehensive income	(8,31,048)	(8,31,048)
As at 31 March 2020	**1,04,69,09,550**	**90,90,39,919**
Profit for the year	21,75,54,286	21,75,54,286
Other comprehensive income & Adjustments	90,104	90,104
Reversal of excess Sales booked in FY-2018-19	(37,45,396)	-
Adjustment for Depreciation & Interest on ROU Asset	(4,25,490)	
Reversal of Consultancy Chgs of Mecon related to Galileo Compressor	(5,54,436)	
Adjustment for Income Tax Refund 2018-19	1,77,26,351	-
Tax Deducted at Source adjusted related to earlier years	(7,12,181)	-
Dividend Paid for FY-2019-20	(1,86,22,807)	-
As at 31 March 2021	**1,25,82,19,981**	**1,12,66,84,309**

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Mrs. Banani Bhbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

SANAT & ASSOCIATES
FRN-317076E
H.O AGARTALA
B.O.KOLKATA
CHARTERED ACCOUNTANTS

Note 3 - Property, plant and equipment
(Amount in INR, unless otherwise stated)

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

Cost/ Valuation	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehicle-CNG Auto	Fire Extinguisher	Internal Decoration
At 31 March 2019	**62,89,79,929**	**18,35,91,066**	**15,09,67,996**	**8,76,983**	**28,92,671**	**50,402**	**1,04,543**	**19,89,474**
Additions	9,14,92,554	2,70,01,200	2,09,81,591	7,69,153	3,26,511	-	-	-
Acquisitions of a subsidiary	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
At 31st March 2020	**72,04,72,483**	**21,05,92,266**	**17,19,49,587**	**16,46,136**	**32,19,182**	**50,402**	**1,04,543**	**19,89,474**
Additions	12,40,19,866	17,16,96,031	5,55,35,749	5,84,484	18,48,573	-	1,86,466	-
Acquisitions of a subsidiary	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	-	-	-	(3,82,754)	-	(3,125)	-	-
At 31st March 2021	**84,44,92,348**	**38,22,88,297**	**22,74,85,336**	**18,47,866**	**50,67,755**	**47,277**	**2,91,009**	**19,89,474**

Depreciation and impairment	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehicle-CNG Auto	Fire Extinguisher	Internal Decoration
At 31 March 2019	**15,72,49,428**	**5,57,20,906**	**2,96,88,760**	**5,87,363**	**17,99,604**	**45,172**	**91,627**	**8,19,542**
Depreciation expense	5,39,08,112	2,73,90,397	64,10,441	2,81,443	3,02,778	2,105	1,597	1,87,796
Impairment	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Other	(99,328)	(86,966)						
At 31st March 2020	**21,10,58,213**	**8,30,24,337**	**3,60,99,201**	**8,68,806**	**21,02,382**	**47,277**	**93,223**	**10,07,338**
Depreciation expense	5,88,64,186	3,68,33,185	71,79,188	2,58,067	8,29,251	-	58,832	1,39,057
Impairment	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-
Other	-	-						
At 31st March 2021	**26,99,22,399**	**11,98,57,522**	**4,32,78,389**	**11,26,872**	**29,31,632**	**47,277**	**1,52,056**	**11,46,395**

Net Book value	PNG Project	CNG Project	Building-CNG Station	Office Equipments	Furniture & fixture	Vehicle-CNG Auto	Fire Extinguisher	Internal Decoration
At 31 March 2019	**47,17,30,501**	**12,78,70,160**	**12,12,79,236**	**2,89,620**	**10,93,067**	**5,230**	**12,916**	**11,69,932**
At 31st March 2020	**50,94,14,270**	**12,75,67,929**	**13,58,50,387**	**7,77,330**	**11,16,800**	**3,125**	**11,319**	**9,82,136**
At 31st March 2021	**57,45,69,950**	**26,24,30,775**	**18,42,06,947**	**7,20,993**	**21,36,123**	**0.00**	**1,38,953**	**8,43,079**

Capital work in progress

The capital work in progress includes payment made to contractors for execution of projects,Plant & Machinery recieved but not yet installed,customs duty & freight n

Security

No Charge has been created for Land and building, plant and machineries to the extent of assets created against the term loan of INR NIL (out of which INR NIL is outs

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For Tripura Natural Gas Co. Ltd.
Director

M/S SANAT & ASSOCIATES
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Inverter System	Aqua Guard	Computer System	Air Conditioner	Leasehold Land	Freehold Land	P & M -Other Equipments	ROU Asset	Capital Work-in-Progess	Total
1,28,427	**2,371**	**41,50,914**	**4,48,349**	-	**1,64,39,896**	**6,95,020**		**89,31,516**	**99,06,23,020**
-	-	8,02,714	79,000	-	12,33,800	5,22,419	5,55,22,667	6,23,90,128	14,32,08,942
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		(3,15,89,821)	(3,15,89,821)
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	-
1,28,427	**2,371**	**49,53,628**	**5,27,349**	-	**1,76,73,696**	**12,17,439**	**5,55,22,667**	**3,97,31,823**	**1,19,00,49,649**
-	-	10,73,113	1,94,390	-	28,59,270	-	5,87,85,101	27,30,94,891	35,79,97,942
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		(19,04,92,229)	(19,04,92,229)
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	(3,85,879)
1,28,427	**2,371**	**60,26,741**	**7,21,739**	-	**2,05,32,966**	**12,17,439**	**11,43,07,768**	**12,23,34,485**	**1,60,64,46,813**

Inverter System	Aqua Guard	Computer System	Air Conditioner	Leasehold Land	Freehold Land	P & M -Other Equipments	ROU Asset	Capital Work-in-Progess	Total
76,921	**1,599**	**35,62,101**	**4,07,763**	-	-	**54,858**		-	**25,01,05,645**
13,248	-	4,37,764	13,082		-	2,11,046	2,28,80,365	-	11,20,40,173
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	-
		(40,163)			-			-	(2,26,457)
90,169	**1,599**	**39,59,702**	**4,20,845**	-	-	**2,65,904**	**2,28,80,365**	-	**36,19,19,361**
9,473	-	8,15,714	57,526		-	1,72,262	4,20,22,274	-	14,72,39,016
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	-
-	-	-	-	-	-	-		-	-
		-			-			-	-
99,642	**1,599**	**47,75,416**	**4,78,372**	-	-	**4,38,166**	**6,49,02,639**	-	**50,91,58,377**

Inverter System	Aqua Guard	Computer System	Air Conditioner	Leasehold Land	Freehold Land	P & M -Other Equipments	ROU Asset	Capital Work-in-Progess	Total
51,506	**772**	**5,88,813**	**40,586**	-	**1,64,39,896**	**6,40,162**	-	**89,31,516**	**74,12,12,395**
38,258	**772**	**9,93,926**	**1,06,504**	-	**1,76,73,696**	**9,51,535**	**3,26,42,302**	**3,97,31,823**	**82,81,30,288**
28,784	**772**	**12,51,325**	**2,43,368**	-	**2,05,32,966**	**7,79,273**	**4,94,05,129**	**12,23,34,485**	**1,09,72,88,436**

naterial ,consultancy charges paid related to projects etc/ value of materials/ equipments/ etc. received at site for use in the projects.

tanding as on 31 March 2021 and INR NIL is outstanding on 31 March 2020) from State bank of India.

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M/S DEBNATH (GAS) CO. PVT. LTD.
Director
Tripura Natural Gas Company Ltd.

SANAT & ASSOCIATES
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B.O.KOLKATA
CHARTERED ACCOUNTANTS

Note 3A- ROU Asset

Particulars	As at 31-Mar-21	As at 31-Mar-20
Non Financial Asset:		
Opening Balance	3,26,42,302	-
Additions during the Year	5,87,85,101	3,26,42,302
Less:Depreciation Charged during the year	4,20,22,274	-
Total	**4,94,05,129**	**3,26,42,302**

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CHARTERED ACCOUNTANTS * SANAT & ASSOCIATES * FRN-317076E H.O AGARTALA B.O.KOLKATA

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements
Components of Property, plant and equipment (including assets held under finance leases) are as follows:

Note 4 - Financial assets

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
4A) Loans				
Other loans:				
Security Deposit Paid (Paid to BSNL & Others)	-	10,74,595	-	1,18,220
Loan/Advance against Salary	25,40,885	-	22,242	-
Interest accrued but not due	1,12,49,991	-	2,25,91,634	-
Total Loans	**1,37,90,876**	**10,74,595**	**2,26,13,876**	**1,18,220**
4B) Other financial assets				
Balance with bank deposits exceeding 12 months	-	-	-	-
Total	-	-	-	-

Note 5- Deferred taxation asset/ liability

Particulars	As at 31-Mar-21	As at 31-Mar-20
Non current:		
Deferred tax liability	2,62,59,392	1,81,41,662
Deferred tax assets/liabilities-net	**2,62,59,392**	**1,81,41,662**

Note 6 - Other non financial assets

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
Advance to Suppliers	8,45,197	-	72,84,582	-
TCS Recievable AY-2021-22	1,57,673	-	-	-
Contingency & TA Advance	2,80,295	-	4,23,151	-
Advance to Employees	49,560	-	1,26,070	-
Tax Deducted at Source	30,71,377	-	41,90,356	-
Pre-Paid Insurance Premium	16,21,481	-	4,95,033	-
Pre-Paid Lease rent	-	-	37,836	-
Advance TVAT Paid	-	-	2,11,722	-
GST receivable	-	-	-	-
Application Money -Court Case & Sales Tax Assessment App	-	1,08,25,526	-	1,07,50,515
Advance Income Tax Paid	-		-	-
TNGCL Employees Welfare Trust		1,07,12,995		
Total	**60,25,583**	**2,15,38,521**	**1,27,68,750**	**1,07,50,515**

Note 7 - Inventories

Particulars	As at 31-Mar-21	As at 31-Mar-20
Current:		
Stores and Spares including Capital Goods(PNG)	3,05,96,110	3,96,86,831
Stock of O&M PNG Materials	-	6,78,553
Stock of O&M CNG Materials	2,45,37,712	2,16,02,498
Stock of CNG at DBS, LCV & Mother Station	11,42,119	7,11,853
Stock of Natural Gas in Pipeline network	20,284	41,434
Total	**5,62,96,226**	**6,27,21,169**

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Director (Comm.)
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SANAT & ASSOCIATES
FRN-317076E
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Note 8 Trade receivables

Particulars	As at 31-Mar-21	As at 31-Mar-20
Current:		
Unsecured		
Considered good	10,51,92,277	10,64,91,968
Considered doubtful	-	-
Trade and other receivables	**10,51,92,277**	**10,64,91,968**
Allowance for bad and doubtful debts		
Considered doubtful	-	-
Total Trade and other receivables	**10,51,92,277**	**10,64,91,968**

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

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

Note 9 - Cash and Bank balances

Particulars	As at 31-Mar-21	As at 31-Mar-20
9A) Cash and cash equivalents		
Balances with banks:		
- Current accounts	5,42,69,636	5,75,87,480
Deposit with maturity of less than 3 months	2,38,53,701	3,85,04,571
Cash in hand	18,32,841	9,48,010
Total	**7,99,56,178**	**9,70,40,061**

Particulars	As at 31-Mar-21	As at 31-Mar-20
9B) Bank Balance others		
Earmarked accounts:		
Fixed Deposits Kept under lein for issue of LC/BG :	32,32,48,221	33,01,79,199
Term Deposits:	44,40,32,925	44,17,23,922
Total	**76,72,81,146**	**77,19,03,121**

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Ms. Banani Dabbarman
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CHARTERED ACCOUNTANTS

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

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

Note 10 - Equity share capital

Particulars	As at 31-Mar-21	As at 31-Mar-20
Share capital		
Authorised		
30,00,000 Equity Shares of INR 100 each	30,00,00,000	10,00,00,000
(Previous year 10,00,000 Equity Shares of INR 100 each)		
	30,00,00,000	**10,00,00,000**
Issued, subscribed and fully paid up		
(3000000 Nos. of Fully paid-up Equity Shares of INR 100/- each)	30,00,00,000	30,00,00,000
(Previous year 3,92,000 Equity Shares of INR 100 each)		
	30,00,00,000	**30,00,00,000**

Terms/ rights attached to equity shares:
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 to 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-21	31-Mar-20
Shares outstanding at the beginning of the year	30,00,000	3,92,000
(+) Shares issued during the year	-	-
(-) Shares bought back during the year	-	-
Shares outstanding at the end of the year	**30,00,000**	**3,92,000**

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

Particulars	31-Mar-21	31-Mar-20
Gail India Limited		
Number of equity shares	1469388	192000
% of holding	48.98%	48.98%
Tripura Industrial Development Corporation Limited		
Number of equity shares	765306	99996
% of holding	25.51%	25.51%
Assam Gas Company Limited		
Number of equity shares	765306	99996
% of holding	25.51%	25.51%

Note 11 - Other equity

Particulars	As at 31-Mar-21	As at 31-Mar-20
Other equity:		
Retained earnings	**1,04,69,09,550**	**86,15,12,533**
Add:Profit during the year	21,75,54,286	18,62,28,065
Less: Re-measurement gain/ (losses) on defined benefit plans (net of tax)	90,104	(4,27,162)
Add:Adjustment for Income Tx Refund FY-2018-19	1,77,26,351	-
Less:Reversal of excess Sales booked in FY-2018-19	(37,45,396)	-
Less:Adjustment for Depreciation & Interest on ROU Asset	(4,25,490)	-
Less:Adjustment for Galileo CPBG vs Expenses	(5,54,436)	(4,03,886)
Add:Tax Deducted at Source adjusted related to earlier years	(7,12,181)	-
Less:Final Dividend Paid for FY-2019-20	(1,86,22,807)	-
Total	**1,25,82,19,981**	**1,04,69,09,549**

Note 12 - Borrowings

Particulars	As at 31-Mar-21	As at 31-Mar-20
Non current borrowings		
Secured Term loans:		
- SBI A.D.Nagar Branch	-	-
Less: Current maturities of long term borrowings	-	-
Total Non Current Borrowings	-	-

Term Loans from Banks consists of the following:

Name of Bank	Date of Maturity	EIR	Nature of security
- SBI A.D.Nagar Branch	Enitire Loan has been paid during the year	7.90%	Action for withdrawal of Security against all project assets including Land and building taken

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SANAT & ASSOCIATES
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Note 13A - Trade Payables

Particulars	As at 31-Mar-21	As at 31-Mar-20
Trade payable:		
- micro and small enterprises	5,43,66,982	3,70,30,752
- other than micro and small enterprises	-	-
- related party	1,85,41,659	1,73,88,977
Total	**7,29,08,641**	**5,44,19,729**

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

Note 13B - Other Payables

Particulars	As at 31-Mar-21	As at 31-Mar-20
Others Payables	7,70,200	5,87,640
Total	**7,70,200**	**5,87,640**

Note 14 - Other financial liabilities

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
Other financial liabilities at amortised cost:				
Current maturities of borrowing	-	-	-	-
Others:				
Security Deposit (From Major Industrial Consumers)	36,04,350	-	29,74,350	-
Security Deposit Collected from the Consumers	13,07,00,821	-	11,79,28,263	-
Security Deposit Collected from Contractors	8,43,46,936	-	7,61,79,672	-
Earnest Money Deposit (EMD)	57,74,566	-	65,40,737	-
Security Deposit (Galileo)	-	-	-	-
Security Deposit/Retention Money(Suppliers)	3,71,69,695	-	1,01,24,885	-
Liability For Capital Expenditure	1,41,57,963	-	2,40,18,867	-
Total other financial liabilities at amortised cost	**27,57,54,331**	-	**23,77,66,774**	-

Note 15 - Provisions

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
Provision for Gratuity Payable	21,27,048	1,14,95,715	10,15,181	1,21,76,864
Provision for Leave Encashment	20,59,448	1,72,54,939	10,70,677	1,73,25,062
Provision for Income Tax	86,82,869	-	28,16,650	-
Provision for Vat payable	-	-	-	-
Total	**1,28,69,365**	**2,87,50,654**	**49,02,508**	**2,95,01,926**

Note 16 - Other non financial liabilities

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
Other non financial liabilities:				
Government Grants	7,96,345	75,86,236	8,82,350	83,80,170
TDS Payable	17,93,475	-	7,22,133	-
Goods and Service Tax Payable A/c	1,79,861	-	8,57,377	-
Goods & Service Tax (GST-TDS)	10,36,260			
Professional Tax Payable A/c	-			
TCS Payable	33,735	-	-	-
Lease Liability		5,16,06,284		3,31,21,298
Total	**38,39,676**	**5,91,92,520**	**24,61,860**	**4,15,01,468**

Note 17 - Contract liabilities

Particulars	As at 31-Mar-21		As at 31-Mar-20	
	Current	Non current	Current	Non current
Deferred Revenue	2,34,37,568	20,87,75,995	2,08,43,505	19,52,33,169
Total	**2,34,37,568**	**20,87,75,995**	**2,08,43,505**	**19,52,33,169**

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Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

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

Note : 18 Revenue from Operations

Particulars	As at 31-Mar-21	As at 31-Mar-20
Income from operations		
Sale of CNG	77,23,02,991	77,61,87,967
Sales of PNG	44,62,07,666	40,68,82,626
Total	**1,21,85,10,657**	**1,18,30,70,593**

1. Disaggregated revenue information

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

	31-Mar-21	31-Mar-20
Revenue by type of customers		
Sale to Domestic customers	27,29,44,966	16,67,69,332
Sale to Industrial Customers	10,49,49,321	7,21,73,483
Sale to Commercial customers	6,83,13,379	5,85,59,893
Total revenue from contracts with customers	**44,62,07,666**	**29,75,02,708**
Timing of revenue recognition		
Services transferred over time	44,62,07,666	29,75,02,708
Total revenue from contracts with customers	**44,62,07,666**	**29,75,02,708**

NOTE: No single customer represents 10.00% or more of the total Company's revenue during the year ended 31at March 2021 & 31st March 2020. The company earns its entire revenue from contract with customers from operation in India.

2. Contract balances

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

	31-Mar-21
Trade receivables (Net)*	10,51,92,277
Contract liabilities	
Advances from customers	23,22,13,563

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

3. Changes in contract liabilities	31-Mar-21
Balance at the beginning of the year	21,57,89,318
Revenue recognised that was included in Advances balance at the beginning of the year	2,29,36,156
Increase due to invoicing during the year, excluding amounts recognised	3,78,38,544
Balance at the end of the year	**23,06,91,706**

For details Refer Note No 47

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Company Secretary,
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Ms. Bahani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN-317076E
H.O AGARTALA
B.O KOLKATA

Note : 19 Other Income

Particulars	As at 31-Mar-21	As at 31-Mar-20
Interest income on fixed deposits from banks	3,29,70,102	4,14,56,927
HP Rent for Computer from Employees	41,850	43,650
Misc. Reciepts	61,25,764	55,48,670
Interest recieved on Soft Loan to Employees	29,174	-
Amortisation of Govt Grants & Installation Cost	2,38,16,095	2,23,84,275
Interest on Income Tax Refund	7,97,689	-
Total	**6,37,80,674**	**6,94,33,522**

Note : 20 Purchase of traded goods

Particulars	As at 31-Mar-21	As at 31-Mar-20
Purchase of Gas	29,57,73,865	39,86,01,403
Change in inventories	(4,09,116)	(6,49,347)
Total	**29,53,64,749**	**39,79,52,056**

Note : 21 Employee Benefit expense

Particulars	As at 31-Mar-21	As at 31-Mar-20
Salaries and wages	5,35,77,215	7,11,75,488
Employer Contribution to PF	27,41,953	20,60,801
Leave Encashment	46,15,685	48,81,231
Company Contribution to Gratuity	5,20,822	12,79,174
Staff Welfare	43,34,660	11,25,735
Total	**6,57,90,335**	**8,05,22,429**

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Ms. Barnali Dabbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
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SANAT & ASSOCIATES
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Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

21 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 for defined benefit plans:

Net employee benefit expense (recognized in Employee Cost) for the year ended 31 March 2021

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2020-21	2020-21	2019-20	2019-20
Current Service Cost	5,62,975	12,94,553	3,92,891	17,69,193
Net Interest Cost / (Income) on the Net Defined Benefit Liability	8,83,242	12,31,643	8,86,283	10,60,251
Acturial (Gain)/ Loss		20,89,489		20,51,787
Total expenses included in employee benefit expense	**14,46,217**	**46,15,685**	**12,79,174**	**48,81,231**

Amount recognised in Other Comprehensive Income for the year ended 31 March 2021

Particulars	Gratuity	Gratuity
	2020-21	2019-20
Actuarial (gain)/ loss - experience	-90,104	4,27,162
Return on plan assets (excluding	-	-
Experience adjustments	-	-
Recognised in other comprehensive	**-90,104**	**4,27,162**

Changes in the present value of the defined benefit obligation for the year ended 31 March 2021 :

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2020-21	2020-21	2019-20	2019-20
Present value of obligation at the beginning:	**1,31,92,045**	**1,83,95,739**	**1,14,85,709**	**1,37,40,225**
Current service cost	5,62,975	12,94,553	3,92,891	17,69,193
Interest cost	8,83,242	12,31,643	8,86,283	10,60,251
Transfer In	-		-	
Benefits paid	-9,25,395	-36,97,037	-	-2,25,717
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs	-90,104	20,89,489	4,27,162	20,51,787
Defined benefit obligation at the end	**1,36,22,763**	**1,93,14,387**	**1,31,92,045**	**1,83,95,739**

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

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2020-21	2020-21	2019-20	2019-20
Current liability	21,27,048	20,59,448	10,15,181	10,70,677
Non-current liability	1,14,95,715	1,72,54,939	1,21,76,864	1,73,25,062
Defined benefit obligation at the end	**1,36,22,763**	**1,93,14,387**	**1,31,92,045**	**1,83,95,739**

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

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2020-21	2020-21	2019-20	2019-20
Discount rate (in %)	6.75%	6.75%	6.70%	6.70%
Salary Growth rate per annum (in %)	11.70%	11.70%	11.70%	11.70%
Mortality rate (% of IALM 06-08)	100%	100%	100%	100%
Normal retirement age	60 years	60 years	60 years	60 years
Attrition Rate, based on age: (per annum)				
Upto 30 years	3%	3%	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 2021 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	15,037,294 10.4%	12,428,452 (8.8%)	14,542,005 10.2%	12,048,140 (8.7%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	13,340,070 (2.1%)	13,914,713 2.1%	12,914,784 (2.1%)	13,455,342 2.0%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	13,493,966 (0.9%)	13,734,663 0.8%	13,113,683 (0.6%)	13,255,896 0.5%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity	13,608,980 (0.1%)	13,636,485 0.1%	13,180,977 (0.1%)	13,203,032 0.1%

(SUBRATA DEBNATH)
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Company Secretary,
Tripura Natural Gas Company Ltd.

Ms. Banani Debbarma
Director (Com.)
Tripura Natural Gas Co. Ltd.

(BISWABRATA SINHA)
Managing Director,
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SANAT & ASSOCIATES
FRN-317076E
H.O AGARTALA
B.O.KOLKATA
CHARTERED ACCOUNTANTS

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	14,542,005 10.2%	12,048,140 (8.7%)	20,909,615 13.7%	16,321,611 (11.3%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	12,914,784 (2.1%)	13,455,342 2.0%	16,389,974 (10.9%)	20,762,961 12.9%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	13,113,683 (0.6%)	13,255,896 0.5%	18,989,027 (3.2%)	17,863,579 (-2.9%)
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity	13,180,977 (0.1%)	13,203,032 0.1%	18,422,338 0.1%	18,369,282 (0.1%)

Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2020-21	2020-21	2019-20	2019-20
Within the next 12 months (next annual reporting period)	10 years	12 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
	2020-21	2020-21	2019-20	2019-20
Within the next 12 months (next annual reporting period)	21,27,048	20,59,448	10,15,181	10,70,677
Between 2 and 5 years	44,18,185	39,85,872	41,44,055	34,77,908
Between 5 and 10 years	46,73,524	61,55,811	66,65,230	86,99,019
Beyond 10 years	1,99,08,048	4,32,05,708	1,77,00,402	3,83,19,293
Total expected payments	**3,11,26,805**	**5,54,06,839**	**2,95,24,868**	**5,15,66,897**

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SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

Note : 22 Finance Costs

Particulars	As at 31-Mar-21	As at 31-Mar-20
Interest Expenses-Lease Liability & Others	42,82,386	35,86,153
Interest expense on Term Loan	-	29,92,551
Total	**42,82,386**	**65,78,704**

Note : 23 Other Expenses

Particulars	As at 31-Mar-21	As at 31-Mar-20
Operation & Maintenance-CNG	7,22,65,348	4,41,47,345
Operation & Maintenance-PNG	2,36,92,744	1,38,33,720
Printing & Stationery	6,91,074	8,43,417
Professional Tax	2,500	2,500
Professional/Consultancy Service Fees	34,40,442	31,02,428
Postage & Telegram	38,336	47,476
Commission on Sales(CNG)	1,46,97,495	84,26,995
Legal Expenses	3,23,330	3,60,669
Service Tax	-	-
Office Rent	14,91,924	14,89,764
Repairs & Maintainance	13,61,571	5,47,665
Telephone, Fax & Internet Expenses	7,21,787	6,03,925
Lease Rent (CNG & PNG)	22,86,675	3,63,507
Bank Charges	3,71,322	3,65,875
Shed rent	84,708	99,108
Audit Fees	9,35,400	9,13,361
TA to Directors	1,10,011	7,60,654
Board Meeting Expenses	45,183	13,11,755
Electricity Expenses	46,47,061	39,52,821
Audit Expenses	27,146	3,02,078
Insurance	9,72,447	12,10,431
Conveyance Expenses	3,81,802	24,525
Misc. Expenses	4,48,816	3,98,777
Office House Keeping & Maintenance Expenses	-	13,64,919
Provision for Doubtful Debts	2,01,988	-
Awareness on CNG & PNG / National Safety Day	39,667	4,58,705
Sales/Business Promotion Expenses	14,96,512	4,72,681
Vehicle Running & Maintenance	29,75,614	25,37,703
Notice & Advertisement	5,27,191	3,17,034
TA to Employees / Tour Expenses	2,88,488	21,13,330
Security Service Charges	1,12,55,007	1,24,24,342
Entertainment Expenses	7,21,558	7,09,517
Inauguration of CNG Station	-	-
TVAT	3,05,24,374	4,89,88,255
News Paper, Books & Periodicals	19,710	10,426
Calander & Dairy Printing Expenses	-	2,98,710
Website Maintenance Expenses	29,946	25,507
Rates & Taxes	11,13,630	21,45,714
Seminar, Conferefnce & Training Expenses	2,36,000	83,728
India International Trade Fair	-	6,00,000
Industries & Commerce Fair Expenses	4,12,083	8,28,440
Festival Expenses	7,11,880	10,12,795
Fire Safety Day	75,700	7,000
TNGCL Foundation Day Celebration Expenses	8,73,562	9,09,289
Corporate Social Responsibility (CSR)	44,89,520	32,83,005
Water Charges	26,735	92,195
Canteen Running Expenses	-	-
Transportation Charges (CNG)	3,02,46,170	3,84,25,722
Billing System	61,23,486	1,29,84,042
Wages to Outsource Staff (Service Charges)	1,05,98,701	2,60,94,041
Charity and Donation	5,11,800	-
PBGRB Bidding Expenses	15,00,000	19,64,282
Training & Recruitment Expenses	8,62,132	2,61,087
TRD Cess	15,02,75,689	8,42,93,440
Total	**38,51,74,265**	**32,58,14,705**

(SUBRATA DEBNATH)
Chief Financial Officer,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Ms. Barnali Chobai Dan
Director (Com.)
Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
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SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 301170E
KOLKATA

Details of payments to auditors:

Particulars	As per Ind AS As at 31-Mar-21	As per Ind AS As at 31-Mar-20
Payment to auditors:		
Third party/T4 audit fee	-	-
Statutory Audit Fee	3,32,400	2,65,500
Tax audit Fee	80,000	1,41,600
In other capacities:		
Secreteriate Audit	40,000	47,200
Internal Audit	3,00,000	3,61,121
Cost Audit	83,000	97,940
GST Audit	1,00,000	-
Other Audit Expenses	27,146	3,02,078
Total	**9,62,546**	**12,15,439**

Note : 24 Tax Expenses

Particulars	As at 31-Mar-21	As at 31-Mar-20
Current tax	8,04,38,335	6,40,58,387
Deferred Tax	80,94,635	(14,94,053)
Additional Income Tax paid for FY-2019-20	16,94,640	-
Total	**9,02,27,610**	**6,25,64,334**

a) Income tax related to items charged or credited directly to profit or loss during the year:

Statement of profit or loss	31-Mar-21	31-Mar-20
Current income tax:		
Current income tax charge	8,04,38,335	6,56,61,922
Adjustments in respect of current income tax of previous year	16,94,640	-
Deferred tax:		
Relating to origination and reversal of temporary differen	81,17,729	(16,03,535)
Tax expense	**9,02,50,704**	**6,40,58,387**

b) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

	31-Mar-21	31-Mar-20
Profit before tax from continuing operations	30,78,04,990	25,02,86,452
Applicable Tax Rate	29.12%	25.63%
Tax at Indian Tax rate	8,96,32,813	6,41,48,418
Effect of Income not considered for tax purpose	(81,17,729)	16,03,535
Effect of Expense not allowed for tax purpose		
Adjustments in respect of current income tax of previous year	16,94,640	-
Adjustment for Tax Deducted at Source		
Movement in deferred tax liability	81,17,730	-14,94,053
Income tax expense	**9,13,27,454**	**6,42,57,900**
Effective tax rate	**29.67%**	**25.67%**

c) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31-Mar-21	31-Mar-20
Property, Plant and Equipment	81,17,730	(14,94,053)
Deferred tax on remeasurents losses on defined benefit plans	23,094	(1,09,482)
Deferred tax (assets)/ liabilities	**81,40,824**	**(16,03,534)**
Offsetting of deferred tax assets and deferred tax liabilities	16,03,534	(54,53,781)
NetDeferred tax (assets)/ liabilities	**65,37,289**	**38,50,246**

(SUBRATA DEBNATH)
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SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FR No. 317076E
KOLKATA

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

25 Changes in accounting policies and disclosures

New and amended standards and interpretations

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

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 recognised 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.

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 to 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 Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised 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.

On 1 April 2018, the effect of new standard on the company is due to classification, hence, the impact on the Company's retained earnings as at 1 April 2018 is Nil.

Set out below, are the amounts by which each financial statement line item is affected as at and for the year ended 31 March 2021 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-21	31-Mar-20	
ASSETS	**As per Ind AS 115**	**Previous Ind AS**	**Increase / (decrease)**
Non Current Assets			
Property, Plant and	1,04,78,83,307	79,54,87,986	25,23,95,321
Capital work-in-progress	12,23,34,485	3,97,31,823	8,26,02,662
ROU Assets	4,94,05,129	3,26,42,302	1,67,62,827
Financial Assets	-	-	-
-Loans	10,74,595	1,18,220	9,56,375
-Other Financial Assets	-	-	-
Other Non-Current Assets	2,15,38,521	1,07,50,515	1,07,88,006
Subtotal (A)	1,24,22,36,037	87,87,30,846	36,35,05,191
Current Assets			
Inventories	5,62,96,226	6,27,21,169	(64,24,943)
Financial Assets	-	-	-
-Trade receivables	10,51,92,277	10,64,91,968	(12,99,691)
-Cash and cash equivalents	7,99,56,178	9,70,40,061	(1,70,83,883)
-Other bank balances	76,72,81,146	77,19,03,121	(46,21,975)
-Loans	1,37,90,876	2,26,13,876	(88,23,000)
-Other Financial Assets	-	-	-
Other Current Assets	60,25,583	1,27,68,750	(67,43,167)
Subtotal (B)	1,02,85,42,285	1,07,35,38,945	(4,49,96,660)
Total Assets (A+B)	**2,27,07,78,323**	**1,95,22,69,791**	**31,85,08,532**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	30,00,00,000	30,00,00,000	-
Other Equity	1,25,82,19,981	1,04,69,09,549	21,13,10,432
Total equity (C.)	1,55,82,19,981	1,34,69,09,549	21,13,10,432

(SUBRATA DEBNATH)
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SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
B.C.KOLKATA

LIABILITIES

Non Current Liabilities			
Contract liabilities*	20,87,75,995	19,52,33,169	1,35,42,825
Financial Liabilities	-	-	-
-Borrowings	-	-	-
Lease Liability	5,16,06,284	3,31,21,298	1,84,84,986
-Other Financial Liabilities	-	-	-
Provisions	2,87,50,654	2,95,01,926	(7,51,272)
Deferred Tax Liability	2,62,59,392	1,81,41,662	81,17,730
Other Non Current Liabilities	75,86,236	83,80,170	(7,93,934)
Subtotal (D)	32,29,78,561	28,43,78,225	3,86,00,335
Current Liabilities			
Contract liabilities*	2,34,37,568	2,08,43,505	25,94,063
Financial Liabilities	-	-	-
-Trade Payables	-	-	-
(i) total outstanding dues of micro and small enterprises	5,43,66,982	3,70,30,752	1,73,36,230
(ii) total outstanding dues other than (i) above	1,85,41,659	1,73,88,977	11,52,682
-Other Payables	7,70,200	5,87,640	
-Other Financial Liabilities	27,57,54,331	23,77,66,774	3,79,87,557
Provisions	1,28,69,365	49,02,508	79,66,857
Other Current Liabilities	38,39,676	24,61,860	13,77,816
Subtotal (E)	38,95,79,781	32,09,82,016	6,84,15,205
Total Equity and Liabilities (C+D+E)	**2,27,07,78,323**	**1,95,22,69,791**	**31,83,25,972**

Statement of profit and loss for the year ended 31 March 2020

	31-Mar-21 As per Ind AS 115	31-Mar-20 Previous Ind AS	Increase / (decrease)
Revenue from contract with customers	1,21,85,10,657	1,18,30,70,593	3,54,40,063.90
Other income	6,37,80,674	6,94,33,522 -	56,52,847.43
Total Revenue	1,28,22,91,331	1,25,25,04,114	2,97,87,216
Gas Consumed	29,53,64,749	39,79,52,056 -	10,25,87,307.00
Excise duty	7,63,59,202	7,93,09,596 -	29,50,394.00
Employee benefits expenses	6,57,90,335	8,05,22,429 -	1,47,32,094.00
Depreciation and amortization expenses	14,75,15,404	11,20,40,172	3,54,75,232.00
Other expenses	38,51,74,265	32,58,14,705	5,93,59,560.00
Finance Cost	42,82,386	65,78,704 -	22,96,318.00
Total Expenses	97,44,86,341	1,00,22,17,662	(2,77,31,321)
			-
Profit before tax	**30,78,04,990**	**25,02,86,452**	**5,75,18,537**
Tax expenses			
Current tax			
- Current Year	8,04,38,335	6,56,61,922	1,47,76,413.00
- Earlier Years	16,94,640	-	16,94,640.00
Deferred tax charge/ (credit)	81,17,729	(16,03,535)	97,21,264.00
Profit for the period	**21,92,48,926**	**18,62,28,065**	**3,30,20,860**
Other Comprehensive income	(67,010)	1,67,854 -	2,34,864.00
Total Comprehensive income	**21,91,81,916**	**18,63,95,919**	**3,27,85,996**
Earnings per share (`)			
- Basic, profit for the year attributable to ordinary equity holders of the p	72.52	62.08	10.44
- Diluted, profit for the year attributable to ordinary equity holders of th	72.52	62.08	10.44

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

(SUBRATA DEBNATH)
Chief Financial Officer,
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(Pradeep Kr. Mahato) Ms. Barahi Debbarman
Company Secretary, Director (Com.)
Tripura Natural Gas Company Ltd. Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
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SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN-317076E
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B.O. KOLKATA

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

26A Contingent Liabilities

Claims made against the company not acknowledged as debts

Particulars	31-Mar-21	31-Mar-20
Show cause/ demand notices received from government authorities/Other Agencies -	-	-
Sales tax / VAT liability that may arise in respect of matters in appeal -		
Appeal Case No:21-22/Ch.VII/2012 ,TNGCL vs Superintendent of Taxes,Charge-VII,TVAT Assessment FY-2005-06 & 2006-07	1,15,34,682	1,15,34,682
Procurement of Compressor from Galileo GNCArgentina vide	1,73,46,000	-
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	3,86,93,975	3,86,93,975
Appeal has been filed vide No:E/77201/2019 dt:10-10-2019 before The Commissioner of CCentral Excise (Appeals),CGST,Guwahati against the Order No:02/Joint Commissioner/CGST/AGT/2019 dated 05.09.2019 by Joint Commissioner, Central Goods & Service Tax, Agartala	58,97,409	-
SOD (SCN) No. IV(15)14/CE/ACA/DEMAND/ DIV-I/2019/4446 dated 16.01.2019 by Asst. Commissioner, Central Goods & Service Tax, Agartala	22,47,371	-
	7,57,19,437	**5,02,28,657**

26B Commitments

	31-Mar-21	31-Mar-20
a.Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	40,51,79,556	45,28,02,939

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. Biswabrata Sinha-Managing Director
Mr. Banani Debbarman - Director (Commercial)
Mr. Subrata Debnath- CFO
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 2021 and 31st March 2020

(SUBRATA DEBNATH)
Chief Financial Officer,
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(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd

Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
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Particulars	31-Mar-21	31-Mar-20
Gail (India) Limited		
Sale/ Purchase of goods	1,44,94,032	1,11,28,799
Other-Director Salary & Perks Payable	15,60,057	41,64,449
Total	**1,60,54,089**	**1,52,93,248**
Tripura Industrial Development Corporation Limited		
Lease arrangements	24,87,570	19,91,780
Other (Electricity Charges payable to TIDC)	-	1,03,949
Total	**24,87,570**	**20,95,729**

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 financial year ended 31st March 2021.

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 Informations:
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.

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Company Secretary,
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KOLKATA

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

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.

The Company board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

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
31 March 2021		
Secured loan from SBI A.D.Nagar Branch	+100	-
Secured loan from SBI A.D.Nagar Branch	-100	-
31 March 2020		
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:

As at 31st March 2021	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	-	7,29,08,641	-	-	-	7,29,08,641
Expenses Payable		7,70,200	-	-	-	7,70,200
Liability For Capital Expenditure		1,41,57,963				1,41,57,963
Security Deposit (From Major Industrial Consumers)	36,04,350	-	-	-	-	36,04,350
Security Deposit Collected from the Consumers	13,07,00,821	-	-	-	-	13,07,00,821
Security Deposit Collected from Contractors	-	6,46,38,991	1,97,07,945	-	-	8,43,46,936
Earnest Money Deposit (EMD)	-	-	57,74,566	-	-	57,74,566
Security Deposit (Galileo)	-	-	-	-	-	-
Security Deposit/Retention Money(Suppliers)	-	3,10,01,303	61,68,392	-	-	3,71,69,695
Total	**13,43,05,171**	**18,34,77,098**	**3,16,50,903**	-	-	**34,94,33,172**

As at 31 March 2020	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	-	4,57,03,514	-	-	-	4,57,03,514
Expenses Payable		93,03,855	-	-	-	93,03,855
Liability For Capital Expenditure		2,40,18,867				2,40,18,867
Security Deposit (From Major Industrial Consumers)	29,74,350	-	-	-	-	29,74,350
Security Deposit Collected from the Consumers	11,79,28,263	-	-	-	-	11,79,28,263
Security Deposit Collected from Contractors	-	4,13,64,264	3,48,15,408	-	-	7,61,79,672
Earnest Money Deposit (EMD)	-	-	65,40,737	-	-	65,40,737
Security Deposit (Galileo)	-	-	-	-	-	-
Security Deposit/Retention Money(Suppliers)	-	34,09,562	67,15,323	-	-	1,01,24,885
Total	**12,09,02,613**	**12,38,00,062**	**4,80,71,468**	-	-	**29,27,74,143**

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Managing Director,
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SAMANT & ASSOCIATES
CHARTERED ACCOUNTANTS
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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 2021 and for the comparative period as on 31 March 2020.

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 analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The summary of the company's product wise Credit Period is tabulated below:

Product	Credit period
1. Compressed Natural Gas (CNG)	
(a) Oil Marketing Companies like 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 7,99,56,178 as at 31 March 2021 (31 March 2020: INR 9,70,40,061). 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.

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SANAT & ASSOCIATES
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AGARTALA

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

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 2021, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount	Fair value	Fair value		
	31-Mar-21	31-Mar-21	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	10,74,595	10,74,595			
Other Financial assets	-	-			
Current					
Trade receivables	10,51,92,277	10,51,92,277			
Cash and cash equivalents	7,99,56,178	7,99,56,178			
Other bank balances	76,72,81,146	76,72,81,146			
Loans	1,37,90,876	1,37,90,876			
Other Financial Assets	-				
Total	96,72,95,072	96,72,95,072	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	-	-			
Other Financial Liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	5,43,66,982	5,43,66,982			
(ii) total outstanding dues other than (i) above	1,85,41,659	1,85,41,659			
Other Financial Liabilities	27,57,54,331	27,57,54,331			
Total	34,86,62,972	34,86,62,972			-

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

As at 31 March 2020, the Company held the following financial instruments carried at fair value on the statement of financial position:

Particulars	Carrying amount	Fair value	Fair value		
	31-Mar-20	31-Mar-20	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	1,18,220	1,18,220			
Other Financial assets	86,83,066	86,83,066			
Current					
Trade receivables	10,64,91,968	10,64,91,968			
Cash and cash equivalents	9,70,40,061	9,70,40,061			
Other bank balances	77,19,03,121	77,19,03,121			
Loans	2,26,13,876	2,26,13,876			
Other Financial Assets	-	-			
Total	1,00,68,50,312	1,00,68,50,312	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	-	-			
Other financial liabilities	-	-			
Current					
Trade Payables	-	-			
(i) total outstanding dues of micro and small enterprises	1,41,86,846	1,41,86,846			
(ii) total outstanding dues other than (i) above	3,15,16,668	3,15,16,668			
Other Financial Liabilities	23,77,66,774	23,77,66,774			
Total	28,34,70,288	28,34,70,288	-	-	-

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.

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SANAT & ASSOCIATES
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B.O KOLKATA
CHARTERED ACCOUNTANTS

Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the period ended 31 March 2021

1. Corporate information

Tripura Natural Gas Company Limited ("TNGCL") is a company domiciled in India with registered office, in Agartala, Tripura.

GAIL (India) Limited entered in to a contractual agreement with Tripura Industrial Development Corporation ("TIDC"), Assam Gas Company Limited "(AGCL") on February 15, 2005 as a major shareholder to make TNGCL 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 the state of Tripura. TNGCL has established itself as a pioneer in the CGD business and has been the 100% Piped Natural Gas (PNG) supplier to the Domestic and CNG customers in the state of Tripura. This had been possible to achieve with the commendable visionary leadership, exemplary problem solving skills and untiring efforts, along with other stake holders - Tripura Industrial Development Corporation (TIDC) & Assam Gas Company Ltd (AGCL).

The financial statements of the company for the period ended 31st March 2021 were authorized for issue in accordance with a resolution of the directors on .

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the period ended 31 March,2021 have been prepared by the Company in accordance with Ind-AS.

The financial statements have been prepared on a historical cost basis. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy.

The Company does not have any subsidiary, associates and joint ventures, hence these financial statements are individual financial statements and does not require any consolidated financial statements.

The financial statements are presented in Indian Rupees ('INR').

3. Significant accounting policies

3.1 Property, plant and equipment

(a) Tangible Assets

Property, plant and 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.

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

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipments are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

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

Leasehold lands are amortized over the lease period. Leasehold improvements are amortized over the remaining period of the primary lease or expected useful economic lives, whichever is shorter.

The asset's residual values, useful lives and method of depreciation/amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.

(b) Capital Work in Progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

3.1Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Research and development costs

Development costs that are expected to generate probable future economic benefits are capitalized as intangible assets. All other research and development expenditure is recognized in profit and loss account as incurred.

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(BISWABRATA SINHA)
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3.2 Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipments and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

Carrying value of equity accounted investments are tested for impairment in accordance with the policy described above.

3.3 Inventories

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

The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as property, plant and equipment.

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

3.4 Cash and cash equivalents

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

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.5 Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

At each balance sheet date, foreign currency monetary items (such as Cash, Receivables, Loans, Payables, etc.) are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

Non-monetary items (such as Investments, Fixed Assets, etc.) which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively.

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3.6 Revenue and other income

(a) Sale of goods

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. The Company has applied the modified retrospective approach on transition to Ind AS 115.

Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes goods or services contributed by the customer, as non cash consideration, over which Company has control.

Revenue from sale of goods and services is recognized on the transfer of control to the customer and upon the satisfaction of performance obligations under the contract.

Where performance obligation is satisfied over time, company recognizes revenue using input/ output method based on performance completion till date. Where performance obligation is satisfied point in time, company recognizes revenue when customer obtains control of promised goods and services in the contract.

(b) Interest income

Interest income is recognized on a time proportion basis.

3.7 Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee render the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

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. Further, the company makes provision as per actuarial valuation towards any shortfall in fund assets to meet statutory rate of interest in future period, to be compensated by the company to the Provident Fund Trust.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out annually, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the

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(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Agartala, Tripura-799006

statement of profit and loss in the period of plan amendment.Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences and other benefits which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

3.8 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale, after netting off any income earned on temporary investment of such funds. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are recognized as expense in the period in which they are incurred.

3.9 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis. However, rent expenses shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

The Company has applied the IND AS 116 which deal with Accounting for Leases applicable from 01.04.2019.

3.10 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.11 Taxation

Tax expense represents the sum of tax currently payable and deferred tax.

a) Current Tax

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Company Secretary,
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(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Agartala, Tripura-799006

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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.

b) Deferred Tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

3.12 Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized 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.

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 recognized as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion

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(Pradeep Kr. Mahato) Company Secretary, Tripura Natural Gas Company Ltd.

Ms. Basanti Debbarma Director (Com.) Tripura Natural Gas Co. Ltd.

(BISWABRATA SINHA) Managing Director, Tripura Natural Gas Company Limited, Shilpa Nigam Bhawan, Kunjavan, Agartala, Tripura-799006

of assets.

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

3.13 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.14 Current versus non-current classification

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

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- 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 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.

3.15 Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are

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(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Kunjavan,
Agartala, Tripura-799006

categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

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

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.

3.16 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.

i) Financial assets

Classification

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

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurement

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

- **Financial assets carried at amortized cost**

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

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Managing Director,
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- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

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

Derecognition

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

Impairment of financial assets

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

ii) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

Subsequent measurement

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

- **Financial liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through 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

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(BISWABRATA SINHA)
Managing Director,
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Agartala, Tripura-799006

liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Derecognition

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

iii) Offsetting of financial instruments

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

4 Significant accounting judgements, estimates and assumptions

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

In particular, the Company has identified the following 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.

4.1 Judgements

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

(a) Contingencies

Contingent liabilities 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 involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

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Managing Director,
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4.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were 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.

(a) Revenue recognition

The Company uses output method in accounting for the revenue in respect of sale of services. Use of output method requires the Company to recognize revenue based on performance completion till date e.g. time elapsed, units delivered etc. The estimates are assessed continually during the term of the contract and the company re-measures its progress towards complete satisfaction of its performance obligations satisfied over time at the end of each reporting period.

Company updates its estimated transaction price at each reporting period, to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period including penalties, discounts and damages etc.

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 CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where 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 subsidiaries or other available fair value indicators.

Defined benefit plans

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

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(BISWABRATA SINHA)
Managing Director,
Tripura Natural Gas Company Limited,
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Agartala, Tripura-799006

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Banani Debbarman
(Director Commercial)
DIN -08119962
Ms. Banani Debbarman
Director (Com.)
Tripura Natural Gas Co. Ltd.,

Pradeep Kr. Mahato
(Company Secretary)
Membership No-ACS31321
(Pradeep Kr. Mahato)
Company Secretary,
Tripura Natural Gas Company Ltd.

Biswabrata Sinha
(Managing Director)
DIN -0008460725
(BISWABRATA SINHA)
Managing Director,
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Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854
(SUBRATA DEBNATH)
Chief Financial Officer,
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Shilpa Nigam Bhawan, Kunjavan,
Tripura (W), Agartala, Tripura-799006

SANAT & ASSOCIATES
FRN-317076E
AGARTALA
KOLKATA

संख्या: 138

दिनांक: 10 -09-2021

महालेखाकार) लेखापरीक्षा (का कार्यालय,
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ईमेल/ Email: agautripura@cag.gov.in

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest.

सेवा में,
The Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Khejur Bagan, Kunjaban,
Agartala, Tripura (West).

विषय: **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 2021.**

महोदय,

मैं इस पत्र के साथ कार्यालय के पत्र संख्या No. AMG-I A/52-35/2021-22/242 दिनांक 10 -09-2021 को सूचsनार्थ तथा आवश्यक कार्यवाही के लिए अग्रेसित कर रहा हूँ।

संलग्न:- उपरोक्त।

भवदीय,

9.9.2021

उप महालेखाकार (ए एम जी- I एवं प्रशासन)

Special Messenger

No. AMG-I A/52-35/2021-22/ 242
Dated: 10-09-2021

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

प्रधान महालेखाकार (लेखापरीक्षा) का कार्यालय,
त्रिपुरा,अगरतला
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
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ईमेल/ Email: agautripura@cag.gov.in

To
The Managing Director,
Tripura Natural Gas Company Limited,
Shilpa Nigam Bhawan, Khejur Bagan, Kunjaban,
Agartala, Tripura (West).

Subject: 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 2021.

Sir,

Please find enclosed the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statement of Tripura Natural Gas Company Limited for the year ended 31 March 2021, for placing the same before the Annual General Meeting.

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.

Enclosed : As stated.

Yours faithfully,

M Nageswara Rao
9/9/2021

Deputy Accountant General (AMG I & Admin.)

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 2021

The preparation of financial statements of Tripura Natural Gas Company Limited for the year ended 31 March 2021 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 an opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the auditing standards prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **2 June 2021.**

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 2021 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to the inquiries of the Statutory Auditors and the company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related audit report:

General

The trade receivables (Note-8) of the company comprised consumer bills pending recovery. The connections of 622 consumers have been disconnected/ rendered inactive due to non-payment of dues exceeding a period of 6 months, as detailed below:

Category of consumers	**Number of disconnections (Nos.)**	**Amount pending against disconnected consumer (in ₹)**
Domestic	585	71,53,128
Commercial	31	8,43,816
Industrial	6	9,72,296
Total	622	89,69,240

Out of total 100 domestic category consumers to whom demand notices were issued, only 11 have cleared their dues while 89 with unpaid dues amounting to ₹ 29.86 lakh have not responded to the same. Legal suits have been filed on these defaulting customers by the company. Adequate provisions should have been created against the unpaid dues where legal

suits have been filed for recovery. Also, there were no age-wise details of debtors nor adequate policy to create provisions for bad and doubtful debts identified.

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

Place: Agartala
Date: 10th September 2021

(B. R. Mondal)
Principal Accountant General (Audit), Tripura

त्रिपुरा नैचुरल गैस कम्पनी लिमिटेड
Tripura Natural Gas Company Limited
(A Joint Venture of GAIL (India) Limited
Governnment of Tripura and Government of Assam
CIN No : U23201TR1990SGC00345

Ref:TNGCL:F&A:REPLY-SA:2021-22:01 **Date:**09-07-2021

To,
The Asst Audit Officer (Commercial),
AMG-I/CAP-02,
Office of the Principal Accountant General (Audit),
Agartala, Tripura, Agartala-799006

Sub: Reply to Provisional Audit comments during Supplementary Audit of Accounts for the financial year-2020-21.

Dear Sir,

With reference to the Provisional Audit Comments No:01 to 02 issued during Supplementary Audit of the Annual Accounts for the financial year-2020-21 done by your Audit team.

In this regard, please find enclosed herewith the reply of TNGCL alongwith the Statutory Auditor's comments.

Hope, the above reply will satisfy your queries and the above observations will be dropped by your good self office.

PAG (Audit)
RB 09 JUL 2021
AGARTALA, TRIPURA

For and on behalf of TNGC Ltd

Debnath 09/07/2021
Subrata Debnath
CFO & HOD-HR

Encl: As stated above

TRIPURA NATURAL GAS COMPANY LIMITED

SHILPA NIGAM BHAWAN, KHEJURBAGAN, VIP ROAD, KUNJAVAN, AGARTALA-799006

Reply to the observations on Provisional Comment of Supplementary Audit done by CAG for the financial year-2020-21

Sl. No	Observation No.	Details of Observation	Management Comments	Statutory Auditors Comments
	Provisional comment No. 1 dt:03-07-2021	Balance Sheet Assets Current Assets Cash and cash equivalents (Note 9A) Rs. 799.56 Lakh Out of the 14 bank accounts maintained by the company as on 31.03.2021, the current account with State Bank of India (A/c No 37231176648) with balance of Rs. 9,783.11 has been lying dormant without any transactions since 31.03.2020. The necessity of keeping a dormant bank account may be reviewed to bring down the overall number of bank accounts to facilitate better monitoring and control of the current asset. Comments of the Management may please be furnished to Audit within 3(Three) working days.	TNGCL has already written letter No:tngcl:f&a:banks:f&a:2019-20 dt:21-03-2020 to State Bank of India ,Khowai Branch for closure of the Bank Account but no action was taken by the bank and no follow up was done at our end. However, TNGCL has once again written letter no: tngcl: f&a: banks: f&a: 2021-21 dt:07-07-2021 for closure of the said bank account at the earliest. A copy of the letter (s) is enclosed for kind reference.	Agreed with management reply

CFO, HOD (HR)

8/7/21 (Com)

8/7/21

8/7/21

08/07/2021

09/07/21

	Provisional comment No. 2 dt:03-07-2021	Balance Sheet Assets Current Assets Financial Assets Trade Receivables (Note 8): Rs. 1051.92 Lakh The above is comprised of consumer bills pending payment, upon scrutiny of the same it was revealed that the connections of 622 consumers have been disconnected / rendered inactive due to non-payment of dues exceeding a period of 6 months, details of the same are provided below: The company has issued demand notice for payment of unpaid dues against 100 consumers of the domestic category as shown above, 11 out of these have cleared their dues while the rest (89) with unpaid dues amounting to Rs. 29.86 lakh have not responded to the same legal suits have been filed on these defaulting customers by the company. In view of above, a provision should have been created by the company against the unpaid dues where legal suits have been field by the	Agreed with the observations of the Auditors. TNGCL is already taking legal action for recovery of the outstanding gas bills through our panel advocate. A committee has been formed internally to frame a policy of identifying bad and doubtful debts and creating provision against them, age-wise details of debtors will be kept by the company. The Policy will be introduced after approval of the TNGCL Board by 30.09.2021.	Agreed with management reply

Category of consumers	Numbers of disconnections (Nos.)	Amount pending against disconnected consumer (in Rs)
Domestic	585	71,53,128
Commercial	31	8,88,776
Industrial	6	9,72,296
Total	622	90,14,200

Dekraf
CEO, HOD (HR)
08/7/21
Sanni 8/7/21
08/07/2021
SANAT & ASSOCIATES FRN 317...C CHARTERED ACCO... AGARTALA
09/07/21

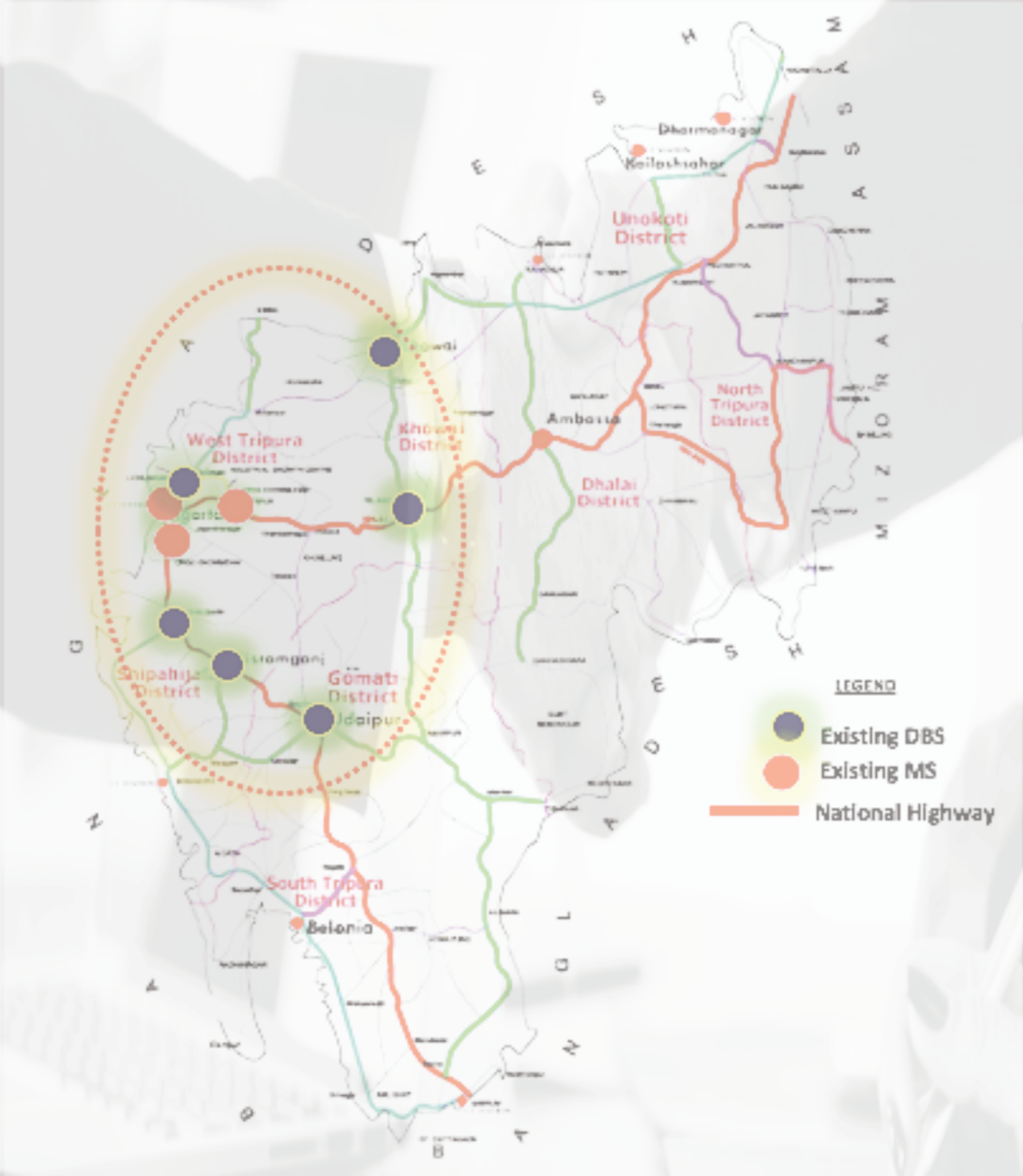
		company for recovery. Moreover, the company should have a policy of identifying bad and doubtful debts and provisioning against them, age-wise details of debtors may be kept by the company in order to facilitate the same. Comments of the Management may please be furnished to Audit within 3(Three) working days		

08/07/2021 08/7/21 8/7/21 08/7/21 09/07/21

Subrata Debnath	C.Chakraborty	P.Purkayastha	Banani Debbarman	A.Anbarasan	For Sanat & Associates
CFO & HOD-HR	**HOD-Commercial**	**GM(Operations)**	**Director (Commercial)**	**Managing Director**	**Chartered Accountants**

SANAT & ASSOCIATES * CHARTERED ACCOUNTANTS * FIRM-STUDIE H.O.AGARTALA B.O.KOLKATA

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Tripura Natural Gas Company Limited

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

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