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33rd 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 Nabadal Banik
Chairman, TIDCL
Chairman, TNGCL

Shri A. Anbarasan
CGM, GAIL
Managing Director, TNGCL

Shri Sanjeev Kumar
ED (R&D, Startup & Renew), GAIL
Director, TNGCL

Shri Gokul Chandra Swargiyari
MD, AGCL
Director, TNGCL

Shri Suresh Chandra Reang
DGM (CGD-Projects), GAIL
Director (Commercial), TNGCL

Company Secretary
Mr. 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 Mani & Co.
Cost Accountant
Kolkata, West Bengal-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 OF ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 33rd Annual General Meeting (AGM) of the Members of Tripura Natural Gas Co. Ltd will be held at Registered Office at Shilpa Nigam Bhawan, Khejur Bagan, Kunjaban, Agartala, Tripura-799006 on Monday, the 25th day of September, 2023 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, 2023 and the report of Board of Director's on the working and activities of the Company and Independent Auditors' Report thereon and the comments thereupon of Comptroller and Auditor General of India and to pass the following resolution as **an ordinary Resolution**.

   "**RESOLVED THAT** the Audited Balance Sheet as at 31st March, 2023 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, 2023.
   To consider and if deemed fit, to pass the following **as an Ordinary Resolution:**

3. To appoint statutory Auditor as and as when recommended by the Comptroller & Auditor General of India and authorized the Board of Directors to fix the remuneration for the year 2023-24. (Not yet recommended by CAG) and to pass the following resolution with or without modification as **an ordinary Resolution.**

SPECIAL BUSINESS

4. Approval of Remuneration of the Cost Auditor for the financial year 2023-24. To consider and if thought fit, to pass the following resolution with or without modification as **an ordinary Resolution**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act,2013 read with Companies (Audit & Auditors) Rules, 2014 including any statutory modifications or re-enactment thereof, for the time being in force, M/s Mani & Co., Cost Accountants be & is hereby appointed as the Cost Auditor of the company to conduct audit of cost records for F.Y. 2023-24 at the stipulated Cost Audit Fees of Rs. 57,882/- excluding all taxes and out of pocket expenses like air fare, fooding, accommodation, local travelling expenses, XBRL conversion etc. shall be either re-imbursed to the Cost Auditor firm if incurred by them or will be paid directly by TNGCL in case they are arranged by the Company itself be and is ratified and approved."

By Order of the Board of Director

Date: 02.09.2023
Place: Agartala

Pradeep Kumar Mahato
Company Secretary

To
The Board of Directors, Members and Auditors

NOTES:

1. In view of the COVID 19 pandemic, in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2019 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith(Collectively referred to as Notice) have been sent only to those members whose e- mail ids are registered with the Company and no physical copy of the Notice has been sent by the Company to any member.

2. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company in respect of shares held in physical form.

3. As per the above-mentioned circulars issued by the Ministry of Corporate Affairs, as physical attendance of members has been dispensed with, so there is no requirement for appointment of proxies Accordingly, the facility for appointment of proxies by members will not be available for this meeting. However, corporate members are required to send to the Company, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.

4. The meeting allows two-way teleconferencing for the ease of participation of the members and the members.

5. Attendance of the members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

6. All the efforts feasible under the circumstances have indeed been made by the Company to enable members to participate and vote on the items being considered in the meeting,

7. During the meeting held through VC or OAVM facility, where a poll on any item is demanded or required, the members shall cast their vote on the resolutions only by sending emails through their email addresses which are registered with the company. The said emails shall only be sent at the designated email address :- pradeep_mahato@tngclonline.com

8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.

9. The results of voting shall be aggregated and declared at the Meeting of the Company by the Chairman.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

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

Item No. 4

The Board of Directors, approved the appointment of M/s Mani & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records maintained by the company for the financial year 2023-24 ending 31st March, 2024.

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, 2024

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 33rd Annual Report and the Company`s audited Financial Statement for the Financial year ended March 31, 2023.

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 54124 to 59131 in 2023 March resulting an overall growth in tune of 9.25 %, compared to last Financial Year. TNGCL over the years has been able to create popular demand for CNG as preferred fuel for automobile sector and increase in CNG sales revenue by 53.25% and increase in PNG sales by 61.11%. While the overall project work reached by creating CNG infrastructure. of total 33 (Thirty-Three) CNG stations by adding 9 (Nine) CNG station this financial year.

FINANCIAL RESULTS:

The Financial Performance of the Company for the period ended 31-03-2023 is summarized below:

Table A. Financial Performance

[Rs in Crores]

Particulars	Previous FY-2021-22	Current FY 2022-23	Percentage Increase / (Decrease)
Sales of Gas-CNG	114.04	174.76	53.25%
Sales of Gas-PNG	55.14	88.83	61.11%
Total Revenue from Operations	**169.17**	**263.59**	**55.81%**
Other Income	6.14	8.46	37.83%
Total Revenue/Turnover	**175.31**	**272.05**	**55.18%**
Profit After Tax (PAT)	**25.80**	**20.25**	**(21.51%)**
PAT (%)	14.72%	7.44%	
Profit Before Tax (PBT)	**39.86**	**29.58**	**(25.79%)**
PBT(%)	22.74%	10.87%	
EBITDA	**53.06**	**50.08**	**(5.62%)**
EBITDA(%)	30.27%	18.41%	
Shareholder's Equity :			
Equity Share Capital-Issued & paid up	30.00	30.00	
Reserves & Surplus	149.35	167.10	
Total Shareholders' Equity	**179.35**	**197.10**	**9.90%**
EPS	86.00	67.51	(21.51%)
Net Worth	**179.35**	**197.10**	**9.90%**
Fixed Assets (Net)	**106.27**	**119.73**	**12.66%**
Working Capital (CA-CL)	**78.37**	**80.02**	**2.11%**

For the period ended 31.03.2023, the Company has achieved increase in Turnover by 55.81% and decrease in PAT by (21.51%) % compared to period ended 31.03.2023 of last FY-2021-22.

Other Achievements of the Company are as follows:

Table B. Sales Volume

[in '000' SCM]

Particulars	**Previous FY-Period ended 31-03-2022**	**Current FY Period Ended 31-03-2023**	**Percentage Increase / (Decrease)**
Sales of Gas-CNG	2,76,35,411	3,32,85,586	20.45%
Sales of Gas-PNG			
Domestic	1,58,15,243	1,63,76,330	3.55%
Commercial	29,15,256	30,36,247	4.15%
Industrial	71,39,362	72,10,083	0.99%
Total Sales of Gas - PNG	**2,58,69,861**	**2,66,22,661**	**2.91%**
Total Sales (CNG + PNG)	**5,35,05,273**	**5,99,08,248**	**11.97%**

The Company has achieved increase in CNG Sales volume by **20.45 %** and PNG Sales Volume by **2.91**% and overall growth in Sales volume by **11.97%** for the financial year ended 31.03.2023 compared to the period ended on 31.03.2022.

DIRECTORS PROPOSE TO APPROPRIATE THIS AMOUNT AS UNDER :

Appropriations:	**2021-22 (Rs.)**	**2022-23 (Rs.)**
Adjustment of brought forward losses		
Towards Dividend	2,58,00,812	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance carried forward to Balance Sheet	**2,58,00,812**	**20,25,17,255**

SUMMARIZED CASH FLOW STATEMENT:

Cash Flows :	2021-22 (Rs.)	2022-23 (Rs.)
Inflow/(Outflow) from operations	36,51,15,640	19,27,94,893
Inflow/(Outflow) from investing activities	(8,84,13,250)	(24,66,60,101)
Inflow/(Outflow) from financing activities	17,76,088	(6,62,95,533)
Cash and Cash equivalents	7,99,56,179	35,84,34,658
Net Increase/(decrease) in cash & cash equivalent	**35,84,34,657**	**23,82,73,918**

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 1434.4 Km of interlinked PE pipelines and 7.366 Km of Steel Pipeline to cater to entire city of Agartala, Rest of West Tripura and Gomati Tripura.

With joining of GAIL in 2005 as a major stake holder, TNGCL has grown phenomenally, creating robust CNG infrastructure. With just one CNG station in 2007, now TNGCL has total 33 (Thirty-three) CNG stations by adding 9 (Nine) CNG station this financial year for clean air to the environment and adding value to the ecology & future generation.

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-2022-23, 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 is received and enclosed with the Annual Accounts.

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 2022-23 to all the shareholder subject of approval in upcoming 33rd 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, 2023 is received and the same has to be placed before the shareholders for consideration at 33rd 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 5007 new domestic consumers during the FY-2022-23.

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
2021-22	54124
2022-23	59131

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 2022-23, total number of commercial connections to 506.

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

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 42 industrial units.

PHYSICAL INFRASTRUCTURE:

The Company has opened more areas under PNG Network within Agartala GA, thereby covering almost 85% of the city. During 2021-22, TNGCL has been able to lay a total of 1209.20 KM of MDPE pipeline within the city area while providing PNG connections.

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

INTERNAL CONTROL SYSTEM AND ADEQUACY:

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

HUMAN CAPITAL:

Total Number of TNGCL Employees

Executive = 12 nos.
Non- executive = 03 nos.
TOTAL employees = 15 Nos.

SAFETY

HSE: During the year 2022-23, 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 2022-23, the Company has undertaken major CSR activities as per CSR guideline and commitment of the Company and the Management has spent **Rs 72,70,989** in CSR activities under section 135 of Companies Act, 2013. **Detailed Annexure- I**

CORPORATE GOVERNANCE:

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

INTERNAL FINANCIAL CONTROLS:

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Since the Board comprised of the following members:-

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Mrs. Banani Debbarman	Director (Com)	26.04.2018	31.03.2023

2	Shri Gokul Chandra Swargiyari	Director	30.09.2019	-
3	Shri Goutam Chakraborty, ED (CGD),	Chairman & Director	14.01.2021	04.05.2023
4	Shri A Anbarasan	Managing Director	21.06.2021	-
5	Shri Tinku Roy	Chairman	04.10.2021	27.01.2023
6	Shri S.C. Reang	Director (Commercial)	01.04.2023	-
7	Shri Sanjeev Kumar	Director	04.05.2023	-
8	Shri Nabadal Banik	Chairman	13.04.2023	-

The Board places on record its deep appreciation for the valuable contribution made by Smt. Banani Debbarman, DGM (P/L O&M), GAIL during his tenure as Director (Commercial) of the Company who demitted office with effect from effective 31.03.2023.

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

The Board places on record its deep appreciation for the valuable contribution made by Shri Goutom Chakraborty, CEO, GAIL GAS as Chairman & Director during his tenure as Director of the Company who demitted office with effect from effective 04.05.2023.

The Board noted the appointment of Shri Sanjeev Kumar, CGM (R&D Startup & Renew), GAIL as Director in the Board of TNGCL w.e.f. 01.04.2023.

The Board noted the appointment of Shri Nabadal Banik, Hon'ble Chairman, TIDCL as Chairman of in the Board of TNGCL w.e.f. 13.04.2023.

Attendance of each Director at Board Meeting

Sl.No.	Name	Total meetings held	Meetings attended
1	Shri Tinku Roy, Chairman	4	3
2	Shri A. Anbarasan, Managing Director	6	6
3	Banani Debbarman Director (Comm.)	6	6
4	Shri Gokul Chandra Swargiyari, Director	6	4
5	Shri Goutom Chakraborty, Chairman	6	6

MEETINGS OF THE BOARD:

Six 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
113th	**12.04.2022**	Agartala
114th	**09.05.2022**	Agartala
115th	**01.09.2022**	Agartala
116th	**20.09.2022**	Agartala
117th	**16.01.2023**	Agartala
118th	**24.03.2023**	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 -II** to this Report in the form MGT-9 as per the Companies Act, 2013.

AUDITORS AND AUDITORS` REPORT

STATUTORY AUDITORS

TNGCL is a Joint Venture Company & is thus required to get its A/C's Audited by an Auditor duly nominated by CAG. For the FY-2022-23, CAG has nominated and Shareholders and the Board appointed, M/s Sanat & Associates, Chartered Accountants. Board of Director fix the remuneration fees of Rs. 1,75,000 (Rupees one Lac seventy five thousand only) excluding GST and Rs.95,000 per quarter excluding GST 3rd Quarter ended December,2022 & 1st Quarter ended 30th June'2023, 2nd Quarter ended 30th September2023.

For the Financial Year-2022-23, 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 Auditor has been completed and the Audited Statement of Accounts have been submitted to CAG as **Annexure -III**.

INDEPENDENT AUDITOR:

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

For Financial year 2023-24 CAG has not yet nominated/recommended the Statutory Auditor of the Company, as CAG recommended the Statutory Auditor for Financial Year 2023-24, the same shall be placed before Shareholders at 33rd Annual General Meeting to decide and fix the remuneration of the Statutory Auditor(s) of the Company as nominated by the Comptroller and Auditor General of India for the Financial Year 2023-24.

AUDIT OBSERVATION:

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

SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s Biman Debnath & Associates, Practicing Company Secretaries to undertake

the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report not yet finalized**.**

COST AUDITOR:

Pursuant to provisions of Section 148(3) of the Companies Act, 2013, the Company has appointed M/s Mani & Co., Cost Accountants on in its 115th BOD Meeting as Cost Auditor to prepare and submit the Cost Audit Report with the Ministry of Corporate Affairs for the 2022-23. 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 approval of 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- Chairman
2. Director (Commercial)- Member
3. Managing Director of TIDCL/Director nominated by AGCL in Board of TNGCL-Member.

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-2022-23, 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 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 2022-23 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 2022-23.

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 2022-23. 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, 2023, 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, 2022 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

Nabadal Banik
(CHAIRMAN)

Date:
Place: Agartala

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- Chairman, Director (Commercial)- Member and Managing Director of TIDCL/Director nominated by AGCL in Board of TNGCL-Member as members in CSR committee. Based on the 2% of the average of the net profits made during the 3 immediately preceding years, **Rs 62,20,989/-** was available for taking up CSR projects in FY 2022-23, 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 2022-23, accumulated two per cent. of the average net profits of the company made during the three immediately preceding financial years

2% of Net Profit of FY(PBT) 2019-20-**Rs.50,05,729**
2% of Net Profit(PBT) of FY 2020-21-**Rs.61,56,099**
2% of Net Profit of FY(PBT) 2021-22- **Rs. 75,01,139**

Rs. 1,86,62,967
3-year average = Rs 62,20,989

2%* Net Profit (PBT) of 3 years Average Profit for CSR is as per the provisions of the Companies Act, 2013 is Rs 62,20,989/- available for CSR activities for FY 2022-23.

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

   The prescribed CSR expenditure for FY 2022-23 as per provisions of Companies Act, 2013 was **Rs 62,20,989/-.**

5. DETAILS OF CSR SPENDS DURING THE FINANCIAL YEAR

The amount receipts of Rs. 10,50,000 from Biock Development Officer for return of Payment for rural area for Constructing Sheeds under TNGCL CSR activities for the F/Y:20-21 and transfer with our Bank of SBI AD . Nagar Branch back on dated 07.11.2022. this amount also spent this year.

1. **Total amount spent in the Financial Year 2022-23 is Rs 72,70,989/-**. (Rs 62,20,989 + Rs. 10,50,000)

2. **Amount unspent during Financial Year 2022-23, if any-** : NIL/-

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

1	2	3	4	5	6	7	8
Sr. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Project or program 1. Local area 2. Specify the state and district**	**Amount outlay (Budget) project or program wise.**	**Amount spent on the project or program**	**Cumulative expenditure upto to the reporting period**	**Amount Spent Direct or Implementing Authority**
1	Prabaha Welfare Sopciety,towards Payment for CRS Activities for Ministy of State Social Justice & Empowerment Govt. Of India for Sposoring Financial Assistance to Sansad Khal Spardha	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Local Area Agartala, Tripura	300000	300000	300000	Direct
2	BDO Laljuri and BDO Damchara towards Payment for Construction of Toilets,Tables,bench etc Under 59-Pecharthal(ST) Assembiy Constituency	1[(i) Eradicating hunger, poverty and malnutrition, 2[‘‘promoting health care including preventinve health care’’] and sanitation	Laljuri and Damchara, North Tripura	1386302	1386302	1686302	Through BDO, Laljuri and BDO Damchara

3	Ramakrishna Mission,Vivek Nagar for Renovation & Construction of Toilet Block in Trible Hostel at the Campus of Viveknagar,Amtali, Tripura west	1[(i) Eradicating hunger, poverty and malnutrition, 2[‘‘promoting health care including preventinve health care’’] and sanitation	Amtali, Agartala Tripura west	1000000	1000000	2686302	Direct
4	Tripura Foodball Association towards Payment for Promoting of Women,s Football with infrastructural Development of Tripura.	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	West Agartala, Tripura	217000	217000	2903302	Direct
5	Tripura Badminton Association, towards Payment for Organizing the N.E.Zone Badminton Championship-2022	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	West Agartala, Tripura	200000	200000	3103302	Direct
6	IG BSF HQ Tripura towards Payment for Tripura Forntier BSF for Sponsoring for Financial Assistance to make Open Air Badminton Court	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	West Agartala, Tripura	325000	325000	3428302	Direct
7	Tripura Tennis Association towards Payment for Financial assistance as approved for CSR Activities	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	West Agartala, Tripura	1384700	1384700	4813002	Direct
8	K Nine an Animal Welfare Society towards Payment for Financial assistance for a Vehical for the welfare of Stray animals as approved for CSR	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare,	West Agartala, Tripura	755495	755495	5568497	Direct

9	Smt.Anjali Roy,Madhumala Debbarama,Asha Rani Debbarama,Rinku Das,Nipa Debnath,towards Payment for Financial Assistance for Veer Naaris of Defence personal Martyrs (who died on Duty).	vi) measures for the benefit of armed forces veterans, war widows and their dependents	Tripura	1000000	1000000	6568497	Direct
10	to District Magistrate and Collector, west Dist. towards Payment for CSR activities for Disaster Relief Fund Contridution to NDRF Agartala Office	[(xii) disaster management, including relief, rehabilitation and reconstruction activities.]	West Agartala, Tripura	702492	702492	7270989	Direct

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

8. **RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE OF THE BOARD**
   This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company and the CSR objectives as provisioned under Section 135 of the Companies, Act, 2013.

FORM NO. MGT 9 **Anexure -II**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2023

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-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF		8	8	0.03%		8	8	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Govt.	14,69,388	15,30,604	29,99,992	100.00%	14,69,388	15,30,604	29,99,992	100.00%	0.00%
e) Bodies Corp.			-	0.00%			-	0.00%	0.00%
f) Banks / FI			-	0.00%			-	0.00%	0.00%
g) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	14,69,388	15,30,612	30,00,000	100.00%	14,69,388	15,30,612	30,00,000	100.00%	0.00%
(2) **Foreign**									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	14,69,388	15,30,612	30,00,000	100.00%	14,69,388	15,30,612	30,00,000	100.00%	0.00%
B. Public									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance			-	0.00%			-	0.00%	0.00%
g) 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	pura Industrial Development Corporation L	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	12,32,935.00	-		12,32,935.00
* Reduction	-	-		-
Net Change	12,32,935.00	-	-	12,32,935.00
Indebtedness at the end of the financial year				
i) Principal Amount	(12,32,935.00)	-		(12,32,935.00)
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
Total (i+ii+iii)	(12,32,935.00)	-	-	(12,32,935.00)

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	A . Anbarasan	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	89,34,941.00	60,41,947.00	1,49,76,888.00
	(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 (A)	89,34,941.00	60,41,947.00	1,49,76,888.00
	Ceiling as per the Act			

B. Remuneration to other Directors : NA

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				1,49,76,888.00
	Overall Ceiling as per the Act				

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	N/A	Subrata Debnath	Pradeep Kumar Mahato	(Rs)
	Designation	CEO	CFO	Company Secretary	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		37,74,648.00	17,16,505.00	54,91,153.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	37,74,648.00	17,16,505.00	54,91,153.00

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					

SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
43, H.G. Basak Road, (Near tripurainfo.com),
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e-mail: sanatassociatesho21@gmail.com
Branch Office: 28/6, Gariahat Road South, Kolkata - 700031

CA. Dinen Majumdar
B.Com, FCA
Tel.: 9436581502 / 8787354119

CA. Gautam Saha
B.Com (Hons), FCA
Tel.: 9903099251

INDEPENDENT AUDITORS' REPORT

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 of the balance sheet as at 31st March 2023, 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 2023, 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

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

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

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

SANAT & ASSOCIATES FRN-317074E H.O.AGARTALA B.O.KOLKATA CHARTERED ACCOUNTANTS

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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.

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

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Tel.: 9903099251

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.

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

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

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

- Materiality is the magnitude of 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.

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

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

Report on other legal and regulatory requirements

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 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023, from being appointed as a director in terms of Section 164 (2) of the Act;

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

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

Our Observations:- /

1. **Expected credit loss:-** During the FY 2022-23, the expected credit loss of Bills receivable/ sundry debtors for the FY 2022-23 is made of Rs. 35,15,485/- (Rupees thirty five lakh fifteen thousand four hundred eighty five) which is the amount outstanding from disconnected consumers as at 31.03.2023. This indicates absence of a sound policy in the company for identification and provisioning towards impairment loss of the financial assets in a scientific manner which is contrary to IND AS 109.

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2. **Money suits not filed against defaulting consumers :-** During the financial year 2022-23, an amount of RS. 7,65,515/- (Rupees seven lakh sixty five thousand five hundred fifteen) was receivable from 11(eleven) defaulting commercial consumers who's gas connection was ultimately disconnected. Similarly, during the financial year 2022-23, an amount of RS. 17,77,674/- (Rupees seventy lakh seventy seven thousand six hundred seventy four) was receivable from 11(eleven) defaulting commercial consumers who's gas connection was ultimately disconnected.

   Also, an amount of Rs. 9,72,296/- has been provided for disconnection made from 6(six) industrial consumers during the financial year 2020-21

   No money suits has been filed for recovery of the above total Rs. 35,15,485/- by the legal department of TNGCL. As explained to us non empalements of advocate was the main reason behind non-filling of money suits.

   These amounts are being highly improbable to be recovered without filing of money suits, so the amounts are a loss to the company and most serious efforts should have been taken in this regard.

For Chartered Accountants
Firm Registration No.317076E

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

CA Dinen Majumdar
Partner
(Membership No. 504491)

UDIN : 23504491BGVLRH3475

Place: Agartala
Date: 03/05/2023

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

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 2023.

3. 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 2022-23, physical verification of all the Fixed assets has been completed and the report submitted to us during the course of our audit. However, no material discrepancies were noticed on such verification.

(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.

4. 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 2022-23, physical verification of all the PNG connection materials and CNG store materials has been completed and submitted to us during our audit. No material discrepancies were noticed on such verification.

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

5. 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.

6. 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.

7. 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.

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8. 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.

9. 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 2023, for a period of more than six months from the date they became payable.

(c) 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:

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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

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

Appeal Case No:21-22lCh.V,/2O12 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

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

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 and high court passed order no:CRP/39/2016 dt:05-01-2021 waiving off the penalty amount of Rs.49,97,439/- keeping the rest demand of Rs.90,85,962/- (Rs.48,97,439 TVAT Amount and Rs.41,88,523/- as it is.
The Company has decided to file appeal against the said order in Supreme Court/Applicable Higher Authority.

(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/-.

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

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

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demand raised by the Joint Commissioner, Central Goods & Service Tax, Agartala Rs. 58,97,409 /-.The Commissioner(Appeals) Guwahati vide Order No:04/AGT/CE(A)GHV/2020 dt:29.12.2020 has passed order confirming the Central Excise Duty amount of rs.58,97,409/- confirming the demand of interest as unchanged and penalty of Rs.5,89,741/-.
The Company has filed appeal at the CESTAT, Kolkata on 13-04-2021.

10. 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.

11. 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.

12. 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.

13. 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.

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

15. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the

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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.

16. 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.

17. 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.

18. 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 FRN-317076E H.O.AGARTALA B.O.KOLKATA CHARTERED ACCOUNTANTS

CA Dinen Majumdar
Partner
(Membership No.504491)

Place: Agartala
Date: 03/05/2023

UDIN : 23504491BGVLRH3475

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Annexure "B" to the Independent Auditor's Report

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 2023.

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 2023, 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.

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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 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

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

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

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management 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 2023, 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.

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

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

CA Dinen Majumdar

Partner
(MembershipNo.504491)

Place: Agartala
Date: 03/05/2023
UDIN : 23504491BGVLRH3475

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B.Com (Hons), FCA
Tel.: 9903099251

Annexure "B" to the Independent Auditor's Report

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	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	Nil

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

SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
43, H.G. Basak Road, (Near tripurainfo.com),
Post Office Chowmuhani, Agartala - 799001, Tripura
e-mail: sanatassociatesho21@gmail.com
Branch Office: 28/6, Gariahat Road South, Kolkata - 700031

CA. Dinen Majumdar
B.Com, FCA
Tel.: 9436581502 / 8787354119

CA. Gautam Saha
B.Com (Hons), FCA
Tel.: 9903099251

	loan? If yes, the financial impact may be stated.	lender to the company due to the company's inability to repay the loan during the year under audit.	
3	Whether funds received/ receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	We have found no funds received/ receivable for specific schemes from central/ state agencies which were not properly accounted for/ utilized as per its term and conditions.	Nil

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

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

CA Dinen Majumdar
Partner
(MembershipNo.504491)

Place:Agartala
Date: 03/05/2023
UDIN : 23504491BGVLRH3475

SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
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CA. Dinen Majumdar
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Tel.: 9436581502 / 8787354119

CA. Gautam Saha
B.Com (Hons), FCA
Tel.: 9903099251

Sub-Directions under section 143(5) of the Companies Act, 2013 for the Financial Year 2022-23

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.

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

SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
43, H.G. Basak Road, (Near tripurainfo.com),
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CA. Gautam Saha
B.Com (Hons), FCA
Tel.: 9903099251

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.

For, SANAT & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 316076E

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

CA. Dinen Majumdar
Partner
Membership No. 504491

Date : 03/05/2023
Place : Agartala
UDIN: 23504491BGVLRH3475

Tripura Natural Gas Company Limited
Balance Sheet as at 31 st March 2023
(Amount in INR, unless otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	1,19,73,13,712	1,06,27,29,800
Capital work-in-progress	3B	16,79,72,957	22,77,69,866
ROU ASSET	3A	16,57,53,817	4,53,42,080
Financial Assets		-	-
-Loans	4A	-	-
-Other Financial Assets	4B	15,13,877	10,74,595
Other Non-Current Assets	6	2,36,48,645	2,35,57,125
Subtotal (A)		**1,55,62,03,007**	**1,36,04,73,466**
Current Assets			
Inventories	7	4,00,12,252	8,33,86,904
Financial Assets		-	-
-Trade receivables	8 & 8A	17,20,46,530	11,44,09,182
-Cash and cash equivalents	9A	23,82,73,918	35,84,34,657
-Other bank balances	9B	69,12,09,140	61,85,47,404
-Loans	4A	24,24,541	39,74,214
-Other Financial Assets	4B	2,00,01,450	1,24,98,123
Other Current Assets	6	9,11,88,362	2,34,34,081
Current Tax Assets(Net)	6A	1,76,23,528	21,25,721
Subtotal (B)		**1,27,27,79,722**	**1,21,68,10,286**
Total Assets (A+B)		**2,82,89,82,729**	**2,57,72,83,752**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	30,00,00,000	30,00,00,000
Other Equity	11	1,67,10,89,386	1,49,34,70,927
Total equity (C.)		**1,97,10,89,386**	**1,79,34,70,927**
LIABILITIES			
Non Current Liabilities			
Contract liabilities	17	23,18,03,587	22,23,42,166
Financial Liabilities			
-Borrowings	12	12,32,935	2,76,80,823
-Other Financial Liabilities	14	-	-
Lease Liabilities-Non Current	17A	11,17,58,889	3,40,70,217
Provisions	15	1,95,28,673	2,66,71,961
Deferred Tax Liability	5	1,43,60,839	3,30,36,753
Other Non Current Liabilities	16	62,13,317	68,65,544
Subtotal (D)		**38,48,98,240**	**35,06,67,464**
Current Liabilities			
Contract liabilities	17	2,48,51,115	2,47,40,391
Financial Liabilities			
-Trade Payables			
(i) total outstanding dues of micro and small enterprises	13A	2,25,86,447	3,32,87,986
(ii) total outstanding dues other than (i) above	13A	9,13,44,278	9,26,90,349
-Other Financial Liabilities	14	27,17,15,239	26,53,43,798
Lease Liabilities-Current	17A	5,68,64,729	1,36,93,831
Provisions	15	19,20,882	4,56,539
Other Current Liabilities	16	37,12,413	29,32,468
Subtotal (E)		**47,29,95,103**	**43,31,45,362**
Total Equity and Liabilities (C+D+E)		**2,82,89,82,729**	**2,57,72,83,752**

Refer accompanying notes to the financial statements

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

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

CA Dinen Majumdar
Partner
Membership No: 504491

S C Reang
(Director Commercial)
DIN -10132897

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

A.Anbarasan
(Managing Director)
DIN -09236259

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W).

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

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala

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

SUBRATA DEBNATH
Chief Financial Officer,

Place Agartala
Date 03.05.2023

Tripura Natural Gas Company Limited
Statement of Profit & Loss for the Period ended 31 st March 2023
(Amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
I. Revenue from Operations (Gross)	18	2,63,59,18,618	1,69,17,24,461
II. Other Income	19	8,45,74,102	6,13,59,494
III Total Income (I+II)		**2,72,04,92,721**	**1,75,30,83,956**
Purchase of gas	20	1,44,73,29,857	48,05,52,724
Change in inventories	20A	(7,23,523)	(4,51,210)
Excise duty		17,20,92,836	11,42,54,613
Employee benefits expenses	21	5,96,93,285	6,49,88,720
Depreciation and amortization expenses	3	19,08,94,061	15,13,73,865
Finance Cost	22	1,40,46,833	41,49,306
Other expenses	23	54,13,25,667	56,31,58,979
IV. Total Expenses		**2,42,46,59,016**	**1,37,80,26,997**
V. Profit before Tax (III - IV)		**29,58,33,705**	**37,50,56,959**
VI. Tax Expenses		9,33,16,450	11,70,48,844
- Current Year	24	11,04,59,038	10,81,45,933
- Earlier Years	24	35,43,260	33,22,651
Deferred Tax	9	(2,06,85,848)	55,80,260
VII. Profit for the Period (V-VI)		**20,25,17,255**	**25,80,08,115**
Other Comprehensive income			
VIII. Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurement gain/ (losses) on defined benefit obligations		12,12,877	(12,54,916)
Income tax effect relating to these items		(3,10,860)	3,21,635
		9,02,017	(9,33,281)
IX. Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		9,02,017	(9,33,281)
Total comprehensive income (VII+ IX)		20,34,19,271	25,70,74,834

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

- Basic	**67.51**	**86.00**
- Diluted	**67.51**	**86.00**

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

CA. Dinen Majumdar
Partner
Membership No. 504491

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

S C Reang
(Director Commercial)
DIN -10132897
S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

A.Anbarasan
(Managing Director)
DIN -09236359
(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W).

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

Subrata Debnath
(Chief Financial Officer)
Membership No-M/32854
SUBRATA DEBNATH
Chief Financial Officer,
TNGCL,Tripura.

Place: Agartala
Date:03/05/2023

Tripura Natural Gas Company Limited
Statement of Cash Flows for the year ended 31 March 2023
(Amount in INR, unless otherwise stated)

	Particulars	As at 31 March 2023	As at 31 March 2022
	Cash Flow from Operating Activities		
	Profit / (loss) before tax	29,58,33,705	37,50,56,959
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation	19,08,94,061	15,13,73,865
	Interest income	(4,32,44,250)	(3,10,93,913)
	Finance costs (including fair value change in financial instruments)	1,40,46,833	41,49,306
	Miscellaneous Reciepts	(1,44,63,554)	(47,66,939)
	Operating Profit before Working Capital changes	**44,30,66,795**	**49,47,19,278**
	Movements in working capital :		
	Increase/(Decrease) in trade payables	(1,20,47,610)	5,30,69,694
	Increase/(Decrease) in provisions	(56,78,945)	8,98,27,687
	Increase/(Decrease) in Other Financial Liabilities	40,56,404	(1,08,38,233)
	Increase/(Decrease) in Non Financial Liabilities	(41,44,345)	(19,70,400)
	Increase/(Decrease) in Contract liabilities	95,72,145	1,48,68,994
	Increase / (Decrease) in Lease Laibility	12,51,31,633	(38,42,236)
	Decrease / (Increase) in Non Financial assets	(6,78,45,801)	(12,58,72,029)
	(Increase)/Decrease in trade receivables	(5,76,37,348)	(92,16,905)
	(Increase)/Decrease in Inventories	4,33,74,651	(2,70,90,678)
	Decrease / (Increase) in Loans	15,49,673	(26,81,461)
	Decrease / (Increase) in ROU Asset	(16,88,76,330)	40,63,049
	Decrease / (Increase) in Other Financial assets	(79,42,609)	-
	Less : Direct Tax paid (net of refunds)	(10,97,83,420)	(10,99,21,119)
I.	**Net Cash Flow from Operating Activities**	**19,27,94,893**	**36,51,15,640**
	Cash Flow from Investing Activities:		
	Purchase of fixed assets	(27,70,74,424)	(16,28,05,524)
	Decrease/(Increase) in Capital Work in Progress	5,97,96,909	(10,54,35,381)
	Increase / (Decrease) in Share Capital	-	-
	Interest income	4,32,44,250	3,10,93,913
	Refund from Income Tax Dept	34,900	-
	Redemption / (increase) in Investments	(7,26,61,736)	14,87,33,742
II.	**Net cash flow (used in) investing activities**	**(24,66,60,101)**	**(8,84,13,250)**
	Net Cash Flow From Financing Activities:		
	Repayment of long term borrowings	(2,64,47,888)	2,76,80,823
	Interest paid	(1,40,46,833)	(41,49,306)
	Dividend paid	(2,58,00,812)	(2,17,55,429)
III.	**Net cash flow (used in) financing activities**	**(6,62,95,533)**	**17,76,088**
IV.	**Net (decrease) / In cash and cash equivalents (I+II+III)**	**(12,01,60,741)**	**27,84,78,478**
	Cash and cash equivalents (Opening)	35,84,34,658	7,99,56,179
	Cash and cash equivalents (Closing)	**23,82,73,918**	**35,84,34,658**

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL, Tripura.

S.C. Reang
(Commercial)
Co. Ltd.

Pradeep Kr. Mahato
Company Secretary,
Agartala.

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

ANBARASAN)
Managing Director,
Natural Gas Co. Ltd.,
Agartala Tripura (W).

Tripura Natural Gas Company Limited
Statement of Changes in Equity for the period ended 31 March 2023
(Amount in INR, unless otherwise stated)

(a) Equity Share Capital

SL.No	Shares held by Promoters at the end of the year			% Change During the Year	Amounts in INR
	Promoters Name	No. of Shares	% of Total Shares		
	Equity shares of Rs. 100 each issued, subscribed and fully paid				
01	Gail India Limited	14,69,388	48.98%	-	14,69,38,800
02	Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-	7,65,30,600
03	Assam Gas Company Limited	7,65,306	25.51%	-	7,65,30,600
	As at 31 March 2022	**30,00,000**	**100.00%**	**0.00%**	**30,00,00,000**
01	Gail India Limited	14,69,388	48.98%	-	14,69,38,800
02	Tripura Industrial Development Corporation Limited	7,65,306	25.51%	-	7,65,30,600
03	Assam Gas Company Limited	7,65,306	25.51%	-	7,65,30,600
	Issue of share capital	-			-
	As at 31 March 2023	**30,00,000**	**100.00%**	**0.00%**	**30,00,00,000**

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL, Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

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

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W)

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

Tripura Natural Gas Company Limited
Statement of Changes in Equity for the period ended 31 March 2023
(Amount in INR, unless otherwise stated)

(b) Other equity

For the period ended 31 March 2023:

Attributable to the equity shareholders		
	Retained Earnings	**Retained earnings**
As at 31 March 2021	1,25,82,81,253	
Profit for the year	25,80,08,115	**1,51,62,89,368**
Other comprehensive income & Adjustments	9,33,281	
Adjustment for excess MGO bill paid in FY-2020-21	5,94,890	
Reversal of excess Sales booked in FY-2020-21	(21,36,511)	
Adjustment for Depreciation & Interest on ROU Asset	(4,54,672)	
Adjustment for Income Tax Refund 2018-19	-	
Tax Deducted at Source adjusted related to earlier years	-	
Dividend Paid for FY-2020-21	(2,17,55,429)	(2,28,18,441)
As at 31 March 2022		**1,49,34,70,927**
Profit for the year	20,25,17,255	
Other comprehensive income & Adjustments	9,02,017	
Reversal of excess Sales booked in FY-2021-22	-	
Adjustment for Depreciation & Interest on ROU Asset	-	
Adjustment for Income Tax Refund	-	
Adjustment for Reserves & Surplus	-	
Tax Deducted at Source adjusted related to earlier years	-	
Dividend Paid for FY-2021-22	(2,58,00,812)	**17,76,18,459**
As at 31 March 2023		**1,67,10,89,386**

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL,Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

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

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W)

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	Plant & Machinery	Building-Office/Other	Office Equipments	Furniture & fixture	Electrical Equipment	Freehold Land	Total
At 31 st March 2022	**1,35,92,27,011**	**23,37,57,557**	**1,12,56,431**	72,59,426	**8,52,537**	**2,05,32,966**	**1,63,29,33,207**
Additions	20,27,36,513	7,11,18,485	**32,19,426**	-	-	-	**27,70,74,424**
Acquisitions of a subsidiary	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
Other	(78,501)	-	-	-	-	-	-
At 31 st March 2023	**1,56,18,85,023**	**30,48,76,042**	**1,44,75,857**	72,59,426	**8,52,537**	**2,05,32,966**	**1,90,99,29,129**
							-
							-

Depreciation and impairment	Plant & Machinery	Building-Office/Other	Office Equipments	Furniture & fixture	Electrical Equipment	Freehold Land	Total
At 31 st March 2022	**50,47,36,111**	**5,25,15,123**	**75,03,142**	47,62,931	**6,38,823**	-	**57,02,03,408**
Depreciation expense	12,47,45,547	1,39,42,007	**30,67,456**	6,30,202	44,256	-	**14,24,29,467**
Impairment	-	-	-	-	-	-	**0**
Disposal	-	-	**(15,898)**	-	-	-	**0**
Exchange differences	-	-	-	-	-	-	-
Other	(1,559)		-	-	-	-	**(1,559)**
At 31 st March 2023	**62,94,80,099**	**6,64,57,130**	**1,05,54,699**	53,93,133	**6,83,079**	-	**71,26,15,417**

Net Book value	Plant & Machinery	Building-Office/Other	Office Equipments	Furniture & fixture	Electrical Equipment	Freehold Land	Total
At 31 st March 2022	**85,44,90,900**	**18,12,42,434**	**37,53,290**	24,96,496	**2,13,714**	**2,05,32,966**	**1,06,27,29,799**
At 31 st March 2023	**93,24,04,924**	**23,84,18,912**	**39,21,158**	18,66,294	**1,69,458**	**2,05,32,966**	**1,19,73,13,712**

Security

Charge has been created for Land and building, plant and machineries to the extent of assets created against the term loan of INR 104.49 Cr (out of which INR 0.12 Cr is outstanding as on 31 March 2023 and INR 2.76 is outstanding on 31 March 2022) from State Bank of India.

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

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL,Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W).

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

Note 3A- ROU Asset

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

Assets	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2022 (Rs)	Addition during the year (Rs.)	Sales/Disposals during the year (Rs.)	As at 31st March,2023 (Rs.)	As at 01st April 2022 (Rs)	Sales/Disposals during the year (Rs.)	Depreciation for 2022-23	As at 31st March,2023 (Rs.)	As at 31st March,2023 (Rs.)
Land-Leasehold	2,85,51,190	-	-	2,85,51,190	88,41,425	-	12,95,232	1,01,36,657	1,84,14,533
Building-Leasehold	-	15,05,298	-	15,05,298	-	-	12,23,055	12,23,055	2,82,243
Plant & Machinery-Leasehold	-	-	-	-	-	-	-	-	-
Vehicle-Leasehold	10,77,67,940	16,73,71,032	-	27,51,38,972	8,21,35,625	-	4,59,46,306	12,80,81,931	14,70,57,041
Total	**13,63,19,130**	**16,88,76,330**	**-**	**30,51,95,460**	**9,09,77,050**	**-**	**4,84,64,593**	**13,94,41,643**	**16,57,53,817**

Right of Use Assets for the Year ended 31st March,2022

Assets	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2021 (Rs)	Addition during the year (Rs.)	Sales/Disposals during the year (Rs.)	As at 31st March,2022 (Rs.)	As at 01st April 2021 (Rs)	Sales/Disposals during the year (Rs.)	Depreciation for 2021-22	As at 31st March,2022 (Rs.)	As at 31st March,2022 (Rs.)
Land-Leasehold	2,85,51,190	-	-	2,85,51,190	75,46,196	-	12,95,229	88,41,425	1,97,09,765
Building-Leasehold	-	-	-	-	-	-	-	-	-
Plant & Machinery-Leasehold	-	-	-	-	-	-	-	-	-
Vehicle-Leasehold	8,57,56,578	2,20,11,362	-	10,77,67,940	5,73,56,443	6,48,214	2,41,30,968	8,14,87,411	2,56,32,315
Total	**11,43,07,768**	**2,20,11,362**	**-**	**13,63,19,130**	**6,49,02,639**	**6,48,214**	**2,54,26,197**	**9,03,28,836**	**4,53,42,080**

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL, Tripura.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

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

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W.)

3B. Capital Work in Progress

CWIP Ageing Schedule as on 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	9,00,52,590	6,86,49,992	92,70,375	-	16,79,72,957
Projects Temporary Suspended	-	-	-	-	-
Total	**9,00,52,590**	**6,86,49,992**	**92,70,375**	**-**	**16,79,72,957**

There is no capital - work -in progress,whose completion is overdue or has exceeded its cost compared to its original plan,completion schedule as at 31st March,2023 and as at 31st March,2022.

CWIP Ageing Schedule as on 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	11,17,34,221	10,67,65,270	92,70,375	-	22,77,69,866
Projects Temporary Suspended	-	-	-	-	-
Total	**11,17,34,221**	**10,67,65,270**	**92,70.375**	**-**	**22,77,69,866**

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Director (Commercial)
Tripura Natural Gas Co. Ltd.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

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

Assets	Gross Block					Provision and Impairment Loss			Net Block
	As at 01st April 2022 (Rs)	Addition during the year (Rs.)	Capitalization during the year (Rs.)	Retirement/ Transfer	As at 31st March,2023 (Rs.)	As at 01st April 2022 (Rs)	For the year (Rs.)	As at 31st March,2023 (Rs.)	As at 31st March,2023 (Rs.)
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	10,21,40,122	7,16,70,641	2,90,51,894	7,09,18,000	7,38,40,869	-	-	-	**7,38,40,869**
Compressor Stations	6,42,54,204	1,61,34,140	3,78,12,528	-	4,25,75,816	-	-	-	**4,25,75,816**
Buildings	2,41,39,780	4,76,82,736	6,66,87,568	-	51,34,948	-	-	-	**51,34,948**
Others	3,72,35,760	91,85,564	-	-	4,64,21,324	-	-	-	**4,64,21,324**
B.Intangible	-	-	-	-	-	-	-	-	-
Total	**22,77,69,866**	**14,46,73,081**	**13,35,51,990**	**7,09,18,000**	**16,79,72,957**	-	-	-	**16,79,72,957**

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W).

Capital Work in Progress for the Year ended 31st March,2022

Assets	Gross Block					Provision and Impairment Loss			Net Block
	As at 01st April 2021 (Rs)	Addition during the year (Rs.)	Capitalization during the year (Rs.)	Retirement/ Transfer	As at 31st March,2022 (Rs.)	As at 01st April 2021 (Rs)	For the year (Rs.)	As at 31st March,2022 (Rs.)	As at 31st March,2022 (Rs.)
A. Tangible									
Plant & Machinery									
Linepipe Construction and related facilities	6,20,00,000	4,01,40,122	-	-	10,21,40,122	-	-	-	**10,21,40,122**
Compressor Stations	3,53,16,810	7,09,78,062	4,20,40,668	-	6,42,54,204	-	-	-	**6,42,54,204**
Buildings	1,26,483	2,40,13,297	-	-	2,41,39,780	-	-	-	**2,41,39,780**
Others	2,48,91,192	1,23,44,568	-	-	3,72,35,760	-	-	-	**3,72,35,760**
B.Intangible	-	-	-	-	-	-	-	-	-
Total	12,23,34,485	14,74,76,049	4,20,40,668	-	22,77,69,866	-	-	-	22,77,69,866

SANAT & ASSOCIATES
FRN-317076E
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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 4 - Financial assets

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
4A) Loans				
Other loans:				
Loan/Advance against Salary	24,24,541	-	39,74,214	-
Total Loans	**24,24,541**	**-**	**39,74,214**	**-**
4B) Other financial assets				
Balance with bank deposits exceeding 12 months	-	-	-	-
Interest accrued but not due	2,00,01,450	-	1,24,98,123	-
Security Deposit Paid (Paid to BSNL & Others)	-	15,13,877	-	10,74,595
Total	**2,00,01,450**	**15,13,877**	**1,24,98,123**	**10,74,595**

Note 5- Deferred taxation asset/ liability

Particulars	As at 31-Mar-23	As at 31-Mar-22
Non current:		
Deferred tax liability	1,43,60,839	3,30,36,753
Deferred tax assets/liabilities-net	**1,43,60,839**	**3,30,36,753**

Note 6 - Other non financial assets

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Advance to Suppliers	-	-	2,16,31,434	-
Contingency & TA Advance	1,48,974	-	2,92,329	-
Advance to Employees	15,115	-	-	-
Advance TVAT Paid	-	-	-	-
GST receivable	-	-	-	-
Pre-Paid Expenses	9,10,24,273	-	15,10,318	-
Application Money -Court Case & Sales Tax Assessment App	-	1,10,22,666	-	1,09,73,381
TNGCL Employees Welfare Trust		1,26,25,979		1,25,83,744
Total	**9,11,88,362**	**2,36,48,645**	**2,34,34,081**	**2,35,57,125**

Note 6A -Non Current Tax Assets(Net)

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
TCS Recievable	-	-	1,08,141	-
Tax Deducted at Source	47,57,771	-	38,36,786	-
Advance Income Tax Paid	11,95,00,000		10,25,00,000	-
Less:Provision for Income Tax	10,66,34,243		10,43,19,206	
Total	1,76,23,528	-	21,25,721	-

Note 7 - Inventories

Particulars	As at 31-Mar-23	As at 31-Mar-22
Current:		
Stores & Spares (PNG Connection Materials)	1,07,93,848	5,30,61,812
Stock of O&M PNG Materials	-	-
Stock of O&M CNG Materials	2,68,81,268	2,87,11,479
Stock of CNG at DBS, LCV & Mother Station	22,32,035	15,45,551
Stock of Natural Gas in Pipeline network	1,05,101	68,062
Total	**4,00,12,252**	**8,33,86,904**

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

DEBNATH Officer, C. Rearch Commercial) Co. Ltd. NBARASAN) Director, Gas Co. Ltd. (W).

Note 8 Trade receivables

Particulars	As at 31-Mar-23	As at 31-Mar-22
Current:		
Unsecured		
Considered good	17,20,46,530	11,44,09,182
Considered doubtful	-	-
Trade and other receivables	**17,20,46,530**	**11,44,09,182**
Allowance for bad and doubtful debts		
Considered doubtful	-	-
Total Trade and other receivables	**17,20,46,530**	**11,44,09,182**

Break-up for security details and more than 6 months overdue:

Trade receivables includes INR NIL/-due from directors of the company towards gas bill on 31 st March 2023 (INR Nil on 31st March 2022). No trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

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-23	As at 31-Mar-22
9A) Cash and cash equivalents		
Balances with banks:		
- Current accounts	5,13,68,261	6,22,76,633
Deposit with maturity of less than 3 months	18,17,46,821	29,32,22,787
Cash in hand	51,58,836	29,35,237
Total	**23,82,73,918**	**35,84,34,657**

Particulars	As at 31-Mar-23	As at 31-Mar-22
9B) Bank Balance others		
Earmarked accounts:		
Fixed Deposits Kept under lein for issue of LC/BG :	46,89,08,070	49,76,43,722
Term Deposits:	22,23,01,070	12,09,03,682
Total	**69,12,09,140**	**61,85,47,404**

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Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

8A. Trade Receivables

Trade Receivables Ageing Schedule as on 31 st March 2023

Current Trade Receivables ageing schedule as on 31 st March 2023

Amount (₹ in Rs.)

Particulars	Outstanding for following periods from due date of payment #					
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade Receivable- Considered Good	16,30,34,765	1,00,96,823	24,30,427			17,55,62,015
(ii) Undisputed Trade Receivable- Considered doubtfull		-	-			-
(iii) Disputed Trade Receivable- Considered good						-
(iv) Disputed Trade Receivable- Considered doubtful		-	-			-
	16,30,34,765	1,00,96,823	24,30,427	-	-	17,55,62,015
Less: Provision for Expected Credit Loss		17,77,674	17,37,811			35,15,485
Total	16,30,34,765	83,19,149	6,92,616	-	-	17,20,46,530

Current Trade Receivables ageing schedule as on 31 st March 2022

Amount (₹ in Rs.)

Particulars	Outstanding for following periods from due date of payment #					
	Less than 6 Months	6 Months- 1 Year	1 2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed Trade Receivable- Considered Good	11,14,78,373	29,30,809				11,44,09,182
(ii) Undisputed Trade Receivable- Considered doubtfull		1,00,94,198	28,77,210			1,29,71,408
(iii) Disputed Trade Receivable- Considered good						-
(iv) Disputed Trade Receivable- Considered doubtful		-	-			-
	11,14,78,373	1,30,25,007	28,77,210	-	-	12,73,80,590
Less: Provision for Expected Credit Loss		1,00,94,198	28,77,210			1,29,71,408
Total	11,14,78,373	29,30,809	-	-	-	11,44,09,182

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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 10 - Equity share capital

Particulars	As at 31-Mar-23	As at 31-Mar-22
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-23	31-Mar-22
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-23	31-Mar-22
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-23	As at 31-Mar-22
Other equity:		
Retained earnings	1,49,34,70,927	1,25,82,81,253
Add:Profit during the year	20,25,17,255	25,80,08,115
Less: Re-measurement gain/ (losses) on defined benefit plans (net of tax)	9,02,017	9,33,281
Add:Adjustment for Income Tx Refund FY-2018-19	-	-
Adjustment for excess MGO bill paid in FY-2020-21	-	5,94,890
Less:Adjustment for Depreciation & Interest on ROU Asset	-	-
Reversal of excess Sales booked in FY-2020-21	-	(21,36,511)
Less:Adjustment for Galileo CPBG vs Expenses		
Add:Tax Deducted at Source adjusted related to earlier years	-	-
Less:Adjustment for Depreciation & Interest on ROU Asset	-	(4,54,672)
Less:Final Dividend Paid for FY-2020-21	(2,58,00,812)	(2,17,55,429)
Total	1,67,10,89,386	1,49,34,70,927

Note 12 - Borrowings

Particulars	As at 31-Mar-23	As at 31-Mar-22
Non current borrowings		
Secured Term loans:		
- SBI Commercial Branch,Guwahati	12,32,935	2,76,80,823
Less: Current maturities of long term borrowings	-	-
Total Non Current Borrowings	12,32,935	2,76,80,823

Term Loans from Banks consists of the following:

Name of Bank	Date of Maturity	EIR	Nature of security
- SBI Commercial Branch,Guwanati	Loan availed during the FY-2021-22	7.20%	Action for withdrawal of Security against all project assets including Land and building taken.

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CHARTERED ACCOUNTANTS

Note 13A - Trade Payables

Particulars	As at 31-Mar-23	As at 31-Mar-22
Trade Payable to Micro and Small Enterprises	2,25,86,447	3,32,87,986
Trade Payable to other than micro and small enterprises	1,53,32,835	5,84,96,306
Trade Payable to Related Party	7,60,11,443	3,41,94,043
Total	**11,39,30,725**	**12,59,78,335**

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

Note 14 - Other financial liabilities

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Other financial liabilities at amortised cost:				
Current maturities of borrowing	-			-
Others:				
Deposits/Retention Money from Customers/Contractors/Others	26,27,47,543		26,32,05,564	
Liability For Capital Expenditure	89,67,696	-	21,38,234	-
Lease Liabilities-Current	5,68,64,729		1,36,93,831	
Total other financial liabilities at amortised cost	**32,85,79,968**	**-**	**27,90,37,629**	**-**

Note 15 - Provisions

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Provision for Gratuity Payable	11,98,886	95,00,530	2,45,732	1,07,96,229
Provision for Leave Encashment	7,21,996	1,00,28,143	2,10,807	1,58,75,732
Provision for Vat payable	-	-	-	-
Total	**19,20,882**	**1,95,28,673**	**4,56,539**	**2,66,71,961**

Note 16 - Other non financial liabilities

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Other non financial liabilities:				
Government Grants				
TDS Payable	6,52,227	62,13,317	7,20,692	68,65,544
Goods and Service Tax Payable A/c	10,97,149	-	12,73,773	-
Goods & Service Tax (GST-TDS)	10,09,528	-	5,79,903	-
Professional Tax Payable A/c	5,47,347			
TCS Payable	-		15,600	
Other Payables-Audit Fees	16,037	-	-	-
Total	3,90,125		3,42,500	
	37,12,413	**62,13,317**	**29,32,468**	**68,65,544**

Note 17 - Contract liabilities

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Deferred Revenue	2,48,51,115	23,18,03,587	2,47,40,391	22,23,42,166
Total	**2,48,51,115**	**23,18,03,587**	**2,47,40,391**	**22,23,42,166**

Note 17A - Lease Liabilities

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Current	Non current	Current	Non current
Opening Balance	-	4,77,64,048	-	5,16,06,284
Additions During the Year		16,88,74,376		2,20,11,362
Deletions During the Year		-		-
Accretion of Interest		1,40,46,833		41,49,306
Lease Liabilities Paid During the Year		6,20,61,639		3,00,02,904
Closing Balance		**16,86,23,618**		**4,77,64,048**
Lease Liabilities-Current	5,68,64,729	-	1,36,93,831	-
Lease Liabilities-Non Current		11,17,58,889	-	3,40,70,217

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

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Managing Director,
Natural Gas Co. Ltd.,
Agartala Tripura (W).

Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

13A. Trade Payables

Trade Payables Ageing Schedule as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
i) MSME	2,25,86,447	-	-	-	-	2,25,86,447
ii) Others	9,13,44,278	-	-	-	-	9,13,44,278
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	**11,39,30,725**	-	-	-	-	**11,39,30,725**

Trade Payables Ageing Schedule as on 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
i) MSME	3,32,87,986	-	-	-	-	3,32,87,986
ii) Others	9,26,90,349	-	-	-	-	9,26,90,349
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
Total	**12,59,78,335**	-	-	-	-	**12,59,78,335**

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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-23	As at 31-Mar-22
Income from operations		
Sale of CNG	1,74,75,91,028	1,14,03,51,065
Sales of PNG	88,83,27,590	55,13,73,396
Total	**2,63,59,18,618**	**1,69,17,24,461**

1. Disaggregated revenue information

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

	31-Mar-23	31-Mar-22
Revenue by type of customers		
Sale to Domestic customers	44,63,27,812	27,29,44,966
Sale to Industrial Customers	28,55,69,597	10,49,49,321
Sale to Commercial customers	15,64,30,181	6,83,13,379
Total revenue from contracts with customers	**88,83,27,590**	**44,62,07,666**
Timing of revenue recognition		
Services transferred over time	88,83,27,590	44,62,07,666
Total revenue from contracts with customers	**88,83,27,590**	**44,62,07,666**

2. Contract balances

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

	31-Mar-23
Trade receivables (Net)*	17,20,46,530
Contract liabilities	
Advances from customers	25,66,54,702

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

3. Changes in contract liabilities

	31-Mar-23
Balance at the beginning of the year	24,56,81,950
Revenue recognised that was included in Advances balance at the beginning of the year	2,61,10,707
Increase due to invoicing during the year, excluding amounts recognised as	3,65,65,316
Balance at the end of the year	25,61,36,559

For details Refer Note No 47

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

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL, Tripura.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

S.C. Reang
Director (Commercial),
Tripura Natural Gas Co. Ltd.

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura (W).

Note : 19 Other Income

Particulars	As at 31-Mar-23	As at 31-Mar-22
Interest income on fixed deposits from banks	4,32,44,250	3,10,93,913
HP Rent for Computer from Employees	33,207	48,721
Misc. Reciepts	1,43,46,670	45,97,674
Interest recieved on Soft Loan to Employees	83,677	1,20,544
Amortisation of Govt Grants & Installation Cost	2,68,31,399	2,54,98,642
Interest on Income Tax Refund	34,900	-
Total	**8,45,74,102**	**6,13,59,494**

Note : 20 Purchase of traded goods

Particulars	As at 31-Mar-23	As at 31-Mar-22
Purchase of Gas	1,44,73,29,857	48,05,52,724
Total	**1,44,73,29,857**	**48,05,52,724**

Purchase of Gas includes Rs.5.63 crores paid to GAIL (India) Ltd. against Debit Note raised for differential transportation tariff as per PNGRB Tariff Order No:TQ/04/2018 dt:27/09/2018 for the period October,2018 to 2nd Fortnight of January'2021 which was earlier not claimed by GAIL (India) Ltd.

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

Particulars	As at 31-Mar-23	As at 31-Mar-22
Inventories at the end of the year:-		
Work in Progress	-	-
Finished Goods	23,37,136	16,13,613
Stock in Trade		
Total	23,37,136	16,13,613
Inventories at the end of the year:-	-	-
Work in Progress	-	-
Finished Goods	16,13,613	11,62,403
Stock in Trade	-	-
Total	16,13,613	11,62,403
Change in inventories of Stock in trade,Finished Goods & WIP	**-7,23,523**	**-4,51,210**

Note : 21 Employee Benefit expense

Particulars	As at 31-Mar-23	As at 31-Mar-22
Salaries and wages	5,85,41,404	5,85,55,490
Employer Contribution to PF	23,35,148	22,81,451
Leave Encashment	(33,83,662)	(2,75,491)
Company Contribution to Gratuity	8,70,332	12,89,320
Staff Welfare	13,30,063	31,37,950
Total	5,96,93,285	6,49,88,720

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H.O.AGARTALA
B.O.KOLKATA

(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

Net employee benefit expense (recognized in Employee Cost) for the year ended 31 March 2023

Particulars	Gratuity 2022-23	Leave encashment 2022-23	Gratuity 2021-22	Leave encashment 2021-22
Current Service Cost	2,04,058	17,17,643	3,70,434	18,36,685
Net Interest Cost / (Income) on the Net Defined Benefit Liability	6,66,274	11,68,662	9,18,886	13,02,799
Acturial (Gain)/ Loss		-62,69,967		-34,14,975
Total expenses included in employee benefit expense	**8,70,332**	**-33,83,662**	**12,89,320**	**-2,75,491**

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

Particulars	Gratuity 2022-23	Gratuity 2021-22
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs assumptions)	-12,12,877	-12,54,916
Return on plan assets (excluding amounts included in net interest expense)	-	-
Experience adjustments	-	-
Recognised in other comprehensive income	**-12,12,877**	**-12,54,916**

Changes in the present value of the defined benefit obligation for the year ended 31 March 2023 :

Particulars	Gratuity 2022-23	Leave encashment 2022-23	Gratuity 2021-22	Leave encashment 2021-22
Present value of obligation at the beginning:	1,10,41,961	1,60,86,539	1,36,22,763	1,93,14,387
Current service cost	2,04,058	17,17,643	3,70,434	18,36,685
Interest cost	6,66,274	11,68,662	9,18,886	13,02,799
Transfer in	-		-	
Benefits paid	-	-19,52,738	-26,15,206	-29,52,357
Actuarial (gain)/ loss - experience variance (i.e. Actual experience vs	-12,12,877	-62,69,967	-12,54,916	-34,14,975
Defined benefit obligation at the end	**1,06,99,416**	**1,07,50,139**	**1,10,41,961**	**1,60,86,539**

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

Particulars	Gratuity 2022-23	Leave encashment 2022-23	Gratuity 2021-22	Leave encashment 2021-22
Current liability	11,98,886	7,21,996	2,45,732	2,10,807
Non-current liability	95,00,530	1,00,28,143	1,07,96,229	1,58,75,732
Defined benefit obligation at the end	**1,06,99,416**	**1,07,50,139**	**1,10,41,961**	**1,60,86,539**

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

Particulars	Gratuity 2022-23	Leave encashment 2022-23	Gratuity 2021-22	Leave encashment 2021-22
Discount rate (in %)	7.45%	7.45%	7.27%	7.27%
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%

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Company Secretary,

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

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	11,668,647 9.10%	9,868,042 (7.8%)	11,851,017 10.2%	9,812,029 (8.7%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	10,478,861 (2.1%)	10,888,793 1.8%	9,808,385 (8.80%)	11,834,066 10.1%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	10,529,060 (1.6%)	10,854,439 1.4%	10,777,147 0.30%	10,725,205 (0.20%)
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity	10,686,612 (0.1%)	10,712,148 0.1%	10,751,413 (0.0%)	10,748,869 (0.0%)

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 is as shown below:

Particulars	Gratuity		Leave encashment	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	12,202,800 10.5%	10,056,653 (8.9%)	18,276,188 13.6%	14,263,787 (11.3%)
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	10,816,839 (2.0%)	11,279,203 2.1%	14,315,493 (11.0%)	18,161,028 12.9%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	10,887,144 (1.4%)	11,178,391 1.2%	16,529,482 2.8%	15,684,759 (2.5%)
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity	11,028,290 (0.1%)	11,055,548 0.1%	13,180,977 (0.1%)	16,065,487 (0.1%)

Maturity Profile of Defined Benefit Obligation

Particulars	Gratuity	Leave encashment	Gratuity	Leave encashment
	2022-23	2022-23	2021-22	2021-22
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
	2022-23	2022-23	2021-22	2021-22
Within the next 12 months (next annual reporting	11,98,886	7,21,996	2,45,732	2,10,807
Between 2 and 5 years	50,12,831	56,23,569	61,61,123	73,10,603
Between 5 and 10 years	37,12,579	20,86,121	34,61,214	33,77,986
Beyond 10 years	1,41,67,200	1,78,33,505	1,73,94,105	3,76,66,217
Total expected payments	**2,40,91,496**	**2,62,65,191**	**2,72,62,174**	**4,85,65,613**

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Kunjaban, Agartala Tripura

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TNGCL, Agartala.

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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-23	As at 31-Mar-22
Interest Expenses-Lease Liability & Others	1,40,46,833	41,49,306
Interest expense on Term Loan	-	-
Total	**1,40,46,833**	**41,49,306**

Note : 23 Other Expenses

Particulars	As at 31-Mar-23	As at 31-Mar-22
Repairs & Maintainance	13,46,67,901	12,67,11,674
Professional/Consultancy Service Fees	23,86,350	49,76,416
Dealer Margin/Commission on Sales(CNG)	4,40,13,044	2,13,53,297
Rent (Office/Lease)	10,50,886	23,34,544
Repairs & Maintainance-Others	3,94,333	42,75,485
Audit Fees	6,27,425	4,00,300
Insurance	29,72,151	22,86,759
Out of Pocket (Audit Expenses)	26,311	2,47,800
Electricity Expenses	2,22,17,749	1,91,05,949
Travel Expenses (TA to Directors,Employees etc)	8,01,666	2,62,694
S&D Expenses (Sales/Business Promotion Exps)	4,75,259	94,400
Vehicle Running & Maintenance	34,54,178	32,07,910
Advertisement Expenses	4,88,615	12,49,647
Security Service Charges	1,94,13,111	1,76,59,173
Rates & Taxes (TVAT/TRD Cess/Others)	22,74,74,012	23,33,10,414
Corporate Social Responsibility (CSR)	62,20,989	54,61,747
Transportation Charges (CNG)	4,59,49,737	7,65,52,480
Charity and Donation	1,20,000	20,000
Other Expenses	2,85,71,950	4,36,48,289
Total	54,13,25,667	56,31,58,979

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Chief Financial Officer,
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Kunjaban, Agartala-799006

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Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

Details of payments to auditors:

Particulars	As per Ind AS As at 31-Mar-23	As per Ind AS As at 31-Mar-22
Payment to auditors:		
Third party/T4 audit fee	-	-
Statutory Audit Fee	4,52,300	2,67,800
Tax audit Fee	80,000	80,000
In other capacities:		
Secreteriate Audit	40,000	40,000
Internal Audit	-	-
Cost Audit	55,125	52,500
GST Audit	-	-
Other Audit Expenses	26,311	2,47,800
Total	**6,53,736**	**6,88,100**

Note : 24 Tax Expenses

Particulars	As at 31-Mar-23	As at 31-Mar-22
Current tax	11,04,59,038	10,81,45,933
Deferred Tax	(2,06,85,848)	55,80,260
Additional Income Tax paid for FY-2021-22	35,43,260	33,22,651
Total	**9,33,16,450**	**11,70,48,844**

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

Statement of profit or loss	31-Mar-23	31-Mar-22
Current income tax:		
Current income tax charge	11,04,59,038	10,81,45,933
Adjustments in respect of current income tax of previous year	35,43,260	33,22,651
Deferred tax:		
Relating to origination and reversal of temporary differences	(2,06,85,848)	55,80,260
Tax expense	**9,33,16,450**	**11,70,48,844**

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

	31-Mar-23	31-Mar-22
Profit before tax from continuing operations	29,58,33,705	37,50,56,959
Applicable Tax Rate	29.12%	29.12%
Tax at Indian Tax rate	8,61,46,775	10,92,16,586
Effect of Income not considered for tax purpose	2,06,85,848	(55,80,260)
Effect of Expense not allowed for tax purpose		
Adjustments in respect of current income tax of previous year	35,43,260	33,22,651
Adjustment for Tax Deducted at Source		
Movement in deferred tax liability	-1,86,75,914	67,77,361
Income tax expense	**9,16,99,969**	**11,37,36,338**
Effective tax rate	**31.00%**	**30.33%**

c) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31-Mar-23	31-Mar-22
Property, Plant and Equipment	-	-
Deferred tax on remeasurents losses on defined benefit plans	(3,10,860)	-
Deferred tax (assets)/ liabilities	**(3,10,860)**	-
Offsetting of deferred tax assets and deferred tax liabilities	-	-
NetDeferred tax (assets)/ liabilities	**(3,10,860)**	-

Pradeep Kr. Mahato
Company Secretary,
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SUBRATA DEBNATH
Financial Officer,

C. Reang
Commercial
Gas Co.

ANBARASAN)
Managing Director,
Gas Co. Ltd.
Tripura

FRN-317076E
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Tripura Natural Gas Company Limited
Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

Note : 23 Other Expenses

Particulars	As at 31-Mar-23	As at 31-Mar-22
Operation & Maintenance-CNG	9,90,42,299	10,36,41,121
Operation & Maintenance-PNG	3,56,25,602	2,30,70,553
Printing & Stationery	7,24,207	7,08,341
Professional Tax	2,500	2,500
Professional/Consultancy Service Fees	19,76,294	47,84,784
Postage & Telegram	20,690	23,134
Dealer Margin on Sales(CNG)	4,40,13,044	2,13,53,297
Legal Expenses	4,10,056	1,91,632
Office Rent	4,46,496	17,85,088
Repairs & Maintainance	3,94,333	42,75,485
Telephone, Fax & Internet Expenses	7,03,498	13,12,050
Lease Rent (CNG & PNG)	4,46,071	4,50,036
Bank Charges	21,22,095	25,61,443
Shed rent	1,58,319	99,420
Audit Fees	6,27,425	4,00,300
TA to Directors	1,52,847	-
Board Meeting Expenses	-	1,12,000
Electricity Expenses	2,22,17,749	1,91,05,949
Audit Expenses	26,311	2,47,800
Insurance	29,72,151	22,86,759
Conveyance Expenses	2,16,866	3,29,068
Misc. Expenses	6,50,069	4,83,919
Office House Keeping & Maintenance Expenses	70,763	52,086
Provision for Expected Credit Loss	35,15,485	1,29,71,408
Awareness on CNG & PNG / National Safety Day	1,27,367	-
Sales/Business Promotion Expenses	4,75,259	94,400
Vehicle Running & Maintenance	34,54,178	32,07,910
Notice & Advertisement	4,88,615	12,49,647
TA to Employees / Tour Expenses	6,48,819	2,62,694
Security Service Charges	1,94,13,111	1,76,59,173
Entertainment Expenses	5,41,106	6,40,778
Inauguration of CNG Station	-	1,54,229
TVAT	3,52,86,435	3,83,22,791
News Paper, Books & Periodicals	26,115	-
Calander & Dairy Printing Expenses	-	-
Website Maintenance Expenses	6,55,225	36,938
Rates & Taxes	8,76,775	6,90,575
Seminar, Conferefnce & Training Expenses	-	22,698
India International Trade Fair	3,00,000	7,00,000
Industries & Commerce Fair Expenses	4,08,415	1,15,188
Festival Expenses	5,77,775	3,25,707
Fire Safety Day	-	-
TNGCL Foundation Day Celebration Expenses	7,37,409	7,43,767
Corporate Social Responsibility (CSR)	62,20,989	54,61,747
Water Charges	73,504	66,137
Canteen Running Expenses	23,618	-
Transportation Charges (CNG)	4,59,49,737	7,65,52,480
Billing System	46,67,536	41,05,540
Wages to Outsource Staff (Service Charges)	1,09,10,207	1,11,51,158
Charity and Donation	1,20,000	20,000
PBGRB Bidding Expenses	15,00,000	70,15,000
Training & Recruitment Expenses	-	17,700
TRD Cess	19,13,08,302	19,42,94,548
Total	**54,13,25,667**	**56,31,58,979**

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(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 2023 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:

ASSETS	31-Mar-23 As per Ind AS 115	31-Mar-22 Previous Ind AS	Increase / (decrease)
Non Current Assets			
Property, Plant and	1,19,73,13,712	1,06,27,29,800	13,45,83,911
Capital work-in-progress	16,79,72,957	22,77,69,866	(5,97,96,909)
ROU Assets	16,57,53,817	4,53,42,080	12,04,11,737
Financial Assets			-
-Loans	-	-	-
-Other Financial Assets	15,13,877	10,74,595	4,39,282
Other Non-Current Assets	2,36,48,645	2,35,57,125	91,520
Subtotal (A)	1,55,62,03,007	1,36,04,73,466	19,57,29,541
Current Assets			
Inventories	4,00,12,252	8,33,86,904	(4,33,74,651)
Financial Assets	-	-	-
-Trade receivables	17,20,46,530	11,44,09,182	5,76,37,348
-Cash and cash equivalents	23,82,73,918	35,84,34,657	(12,01,60,739)
-Other bank balances	69,12,09,140	61,85,47,404	7,26,61,736
-Loans	24,24,541	39,74,214	(15,49,673)
-Other Financial Assets	2,00,01,450	1,24,98,123	75,03,327
Other Current Assets	9,11,88,362	2,34,34,081	6,77,54,281
Current Tax Assets(Net)	1,76,23,528	21,25,721	1,54,97,807
Subtotal (B)	1,27,27,79,722	1,21,68,10,286	5,59,69,436
Total Assets (A+B)	2,82,89,82,729	2,57,72,83,752	25,16,98,977
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	30,00,00,000	30,00,00,000	
Other Equity	1,67,10,89,386	1,49,34,70,927	17,76,18,459
Total equity (C.)	1,97,10,89,386	1,79,34,70,927	17,76,18,459

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LIABILITIES

Non Current Liabilities

Contract liabilities*	23,18,03,587	22,23,42,166	94,61,421
Financial Liabilities	-	-	-
-Borrowings	12,32,935	2,76,80,823	(2,64,47,888)
Lease Liability	11,64,20,890	3,40,70,217	8,23,50,673
-Other Financial Liabilities	-	-	-
Provisions	1,95,28,673	2,66,71,961	(71,43,288)
Deferred Tax Liability	1,43,60,839	3,30,36,753	(1,86,75,914)
Other Non Current Liabilities	19,41,254	68,65,544	(49,24,290)
Subtotal (D)	38,52,88,178	35,06,67,464	3,46,20,714
Current Liabilities			
Contract liabilities*	2,48,51,115	2,47,40,391	1,10,724
Financial Liabilities	-	-	-
-Trade Payables	-	-	-
(i) total outstanding dues of micro and small enterprises	2,25,86,447	3,32,87,986	(1,07,01,539)
(ii) total outstanding dues other than (i) above	9,13,44,278	9,26,90,349	(13,46,071)
-Other Payables	-	-	-
-Other Financial Liabilities	27,17,15,239	26,53,43,798	63,71,441
Lease Liabilities-Current	5,64,74,791	1,36,93,831	4,27,80,960
Provisions	19,20,882	4,56,539	14,64,343
Other Current Liabilities	37,12,413	29,32,468	7,79,945
Subtotal (E)	47,26,05,165	43,31,45,362	3,94,59,803
Total Equity and Liabilities (C+D+E)	**2,82,89,82,729**	**2,57,72,83,752**	**25,16,98,976**

Statement of profit and loss for the year ended 31 March 2021

	31-Mar-23 As per Ind AS 115	31-Mar-22 Previous Ind AS	Increase / (decrease)
Revenue from contract with customers	2,63,59,18,618	1,69,17,24,461	94,41,94,156.88
Other income	8,45,74,102	6,13,59,494	2,32,14,608.31
Total Revenue	2,72,04,92,721	1,75,30,83,956	96,74,08,765
Gas Consumed	1,44,66,06,334	48,01,01,514	96,65,04,820.00
Excise duty	17,20,92,836	11,42,54,613	5,78,38,223.00
Employee benefits expenses	5,96,93,285	6,49,88,720 -	52,95,435.00
Depreciation and amortization expenses	19,08,94,061	15,13,73,865	3,95,20,196.00
Other expenses	54,13,25,667	56,31,58,979 -	2,18,33,312.00
Finance Cost	1,40,46,833	41,49,306	98,97,527.00
Total Expenses	2,42,46,59,016	1,37,80,26,997	1,04,66,32,019
Profit before tax	**29,58,33,705**	**37,50,56,959**	**(7,92,23,254)**
Tax expenses			
Current tax			
- Current Year	11,04,59,038	10,81,45,933	23,13,105.00
- Earlier Years	35,43,260	33,22,651	2,20,609.00
Deferred tax charge/ (credit)	(2,06,85,848)	55,80,260 -	2,62,66,108.00
Profit for the period	**20,25,17,255**	**25,80,08,115**	**(5,54,90,860)**
Other Comprehensive income	9,02,017	(9,33,281)	18,35,298.00
Total Comprehensive income	20,34,19,272	25,70,74,834	(5,36,55,562)
Earnings per share (`)			
- Basic, profit for the year attributable to ordinary equity holders of the p	67.51	86.00 -	18.50
- Diluted, profit for the year attributable to ordinary equity holders of th	67.51	86.00 -	18.50

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

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Company Secretary,
TNGCL, Agartala.

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL,Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.
Kunjaban, Agartala Tripura (W)

DEBNATH & ASSOCIATES
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B.O. KOLKATA
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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-23	31-Mar-22
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.	90,85,962	1,15,34,682
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	51,73,166	58,97,407
Appeal has been filed vide No:Nil dt:03-06-2022 before The Assistant Registrar,Customs,Excise & Service Tax Appellate Tribunal,East Zonal Bench,Kolkata against the Order No:02/AGT/CE(A) GHY/2021 dated 01.03.2022 by Commissioner(Appeals), CGST,Guwahati.	19,71,378	22,47,371
	5,49,24,481	5,83,73,435

26B Commitments

	31-Mar-23	31-Mar-22
a.Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	38,88,64,050	38,24,51,154

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

27 Related Party transactions

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

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

(b) Key management personnel
Mr. A Anbarasan-Managing Director
Mr. Banani Debbarman - Director (Commercial)
Mr. Subrata Debnath- CFO
Mr.Pradeep Kr. Mahato-CS

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

The following table provides the total amount due to or due from the related parties as on 31 st March 2023 and 31 st March 2022 :

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL,Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Agartala

SRIVASTAVA & ASSOCIATES
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Particulars	31-Mar-23	31-Mar-22
Gail (India) Limited		
Sale/ Purchase of goods	7,38,61,287	2,72,88,929
Other-Director Salary & Perks Payable	20,17,534	35,20,510
Total	**7,58,78,821**	**3,08,09,439**
Tripura Industrial Development Corporation Limited		
Lease arrangements	1,32,622	33,84,604
Other (Electricity Charges payable to TIDC)	-	-
Total	**1,32,622**	**33,84,604**

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 31 st March 2023.

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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Kunjaban, Agartala Tripura

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Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

(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.

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 2023		
Secured loan from SBI Commercial Branch	+100	-
Secured loan from SBI Commercial Branch	-100	-
31 March 2022		
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 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings-Interest Payable	-	-	-	-	-	-
Interest-bearing loans and borrowings-Principal Payable	-	-	-	-	-	-
Trade and other payables	-	7,42,51,412	-	-	-	7,42,51,412
Expenses Payable		4,00,69,438	-	-	-	4,00,69,438
Liability For Capital Expenditure		89,67,696				89,67,696
Security Deposit (From Major Industrial Consumers)	55,55,028	-	-	-	-	55,55,028
Security Deposit Collected from the Consumers	16,78,98,201	-	-	-	-	16,78,98,201
Security Deposit Collected from Contractors	-	-	7,09,71,833	-	-	7,09,71,833
Earnest Money Deposit (EMD)	-	-	14,39,903	-	-	14,39,903
Security Deposit/Retention Money(Suppliers)	-	-	1,68,82,578	-	-	1,68,82,578
Total	**17,34,53,229**	**12,32,88,546**	**8,92,94,314**	-	-	**38,60,36,089**

As at 31 March 2022	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	-	2,76,31,429	-	-	-	2,76,31,429
Expenses Payable		9,86,89,406	-	-	-	9,86,89,406
Liability For Capital Expenditure		21,38,234				21,38,234
Security Deposit (From Major Industrial Consumers)	40,92,195	-	-	-	-	40,92,195
Security Deposit Collected from the Consumers	14,89,11,604	-	-	-	-	14,89,11,604
Security Deposit Collected from Contractors	-	38,40,771	7,83,53,679	-	-	8,21,94,450
Earnest Money Deposit (EMD)	-	-	29,73,585	-	-	29,73,585
Security Deposit/Retention Money(Suppliers)	-	19,14,243	2,21,19,487	-	-	2,40,33,730
Total	**15,30,03,799**	**13,42,14,083**	**10,34,46,751**	-	-	**39,06,64,633**

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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 2023 and for the comparative period as on 31 March 2022.

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 23,82,73,918 as at 31 March 2023 (31 March 2022: INR 35,84,34,657). 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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TNGCL, 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 2023, 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-23	31-Mar-23	Level 1	Level 2	Level 3
Financial assets at amortised cost:					
Non current					
Loans and receivables	-	-			
Other Financial assets	-	-			
Current					
Trade receivables	17,20,46,530	17,20,46,530			
Cash and cash equivalents	23,82,73,918	23,82,73,918			
Other bank balances	69,12,09,140	69,12,09,140			
Loans	24,24,541	24,24,541			
Other Financial Assets	-				
Total	**1,10,39,54,129**	**1,10,39,54,129**	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	-	-			
Other Financial Liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	2,25,86,447	2,25,86,447			
(ii) total outstanding dues other than (i) above	9,13,44,278	9,13,44,278			
Other Financial Liabilities	27,17,15,239	27,17,15,239			
Total	**38,56,45,964**	**38,56,45,964**			-

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

As at 31 March 2022, 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-22	31-Mar-22	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					
Cash and cash equivalents	11,44,09,182	11,44,09,182			
Other bank balances	35,84,34,657	35,84,34,657			
Loans	61,85,47,404	61,85,47,404			
Other Financial Assets	1,64,72,337	1,64,72,337			
	-				
Total	**1,10,89,38,175**	**1,10,89,38,175**	-	-	-
Financial liabilities at amortised cost:					
Non current					
Borrowings	-	-			
Other financial liabilities	-	-			
Current					
Trade Payables					
(i) total outstanding dues of micro and small enterprises	3,32,87,986	3,32,87,986			
(ii) total outstanding dues other than (i) above	9,30,32,849	9,30,32,849			
Other Financial Liabilities	26,53,43,798	26,53,43,798			
Total	**39,16,64,633**	**39,16,64,633**	-	-	

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.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

Tripura Natural Gas Company Limited

Notes to financial statements

32 Earnings Per Share (EPS)

	31-Mar-23 INR	31-Mar-22 INR
a) Basic earning per share		
Basic earning per share attributable to the equity holders of the company	67.51	72.52
b) Diluted earning per share		
Diluted earning per share attributable to the equity holders of the company	67.51	72.52

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-23 INR	31-Mar-22 INR
Profit attributable to equity holders of the Company:		
Continuing operations	20,25,17,255	21,75,54,286
Discontinued operation	-	-
Profit attributable to equity holders of the Company for basic earnings	20,25,17,255	21,75,54,286
Profit attributable to equity holders of the Company adjusted for the effect of dilution	20,25,17,255	21,75,54,286
Weighted average number of Equity shares for basic EPS *	3000000	3000000
Effect of dilution:		
Weighted average number of Equity shares adjusted for the effect of dilution *	**3000000**	**3000000**

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

33 Previous year's figures have been regrouped/ reclassified whichever necessary to correspond with the current year's classification/ disclosure.

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S.C. Reang
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Managing Director,
Tripura Natural Gas Co. Ltd.,
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B.O. KOLKATA
CHARTERED ACCOUNTANTS

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

34 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

a) Ind AS 116

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 has replaced the existing leases Standard, Ind AS 17 Leases, and related Interpretations. .Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. TNGCL has already implemented the IND AS 116.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

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

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

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

Certain practical expedients are available under both the methods. The Company has already implemented the IND AS 116 ,thereby complying the application of new lease standard.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

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

The Company has already implemented the IND AS 12 and the effect on the financial statements has been made.

c) Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Company does not expect any impact of the amendment on its financial statements for the period ended 31st March,2022.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Company does not expect any impact of the amendment on its financial statements for the period ended 31st March,2022.

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

35 Disclosure relating to Corporate Social Responsibility(CSR):

As per Section 135 of the Companies ACt.2013 read with guidelines issued by Department of Public Enterprises,GOI,the Company is required in every financial year,at least 2 per cent of the average net profits of the Company made during the three immediate preceding financial years in accordance with its CSR Policy. Accordingly,the Company was required to spend Rs.62,20,989/- towards CSR expenditure in the financial year 2022-23 ,against which the actual CSR expenditure was Rs.62,20,989/- .There is no shortfall on account of CSR.

SUBRATA DEBNATH
Financial Officer,
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S.C. Reang
(Commercial)
Gas Co. Ltd.

ANBARASAN)
Managing Director,
Gas Co. Ltd.
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(a) The disclosure in respect of CSR expenditure for FY 2022-23 is as under:

Particulars	2022-23	2021-22
(i) Amount required to be spent by the Company during the year		
Annual CSR Allocations	62,20,989	51,37,257
Carry forward from Previous Year	-	-
Gross amount required to be spent, @ 2% (as per Provision of Section 135 of the Companies Act,2013)	62,20,989	51,37,257
(ii) Amount of expenditure incurred	62,20,989	54,61,747
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous year shortfall	-	-
(v) Reasons for shortfall	NA	NA
(vi) Nature of CSR activities	As per 35(b) below	

(b) Break up of the CSR expenses under major heads is as under:

Particulars	2022-23	2021-22
(i) Construction / Acquisition of any assets	Nil	Nil
(ii) On purposes other than (i) above		
Promotion of Nationally recognized sports	13,76,700	10,00,000
Improvement in education which includes special education .Skill Development etc	10,00,000	4,61,747
Rural development Projects	13,86,302	33,40,000
Animal welfare initiatives	7,55,495	-
Measures for the benefit of armed forces veterans, war widows and their dependents	10,00,000	-
Protection of national heritage. art and culture	-	6,60,000
Disaster management	7,02,492	-
Total	**62,20,989**	**54,61,747**

SUBRATA DEBNATH
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Notes forming part of Financial Statements

(Amount in INR, unless otherwise stated)

36 Disclosures of Ratios

Particulars	Basis/Formula	31-Mar-23 Ratio	31-Mar-22 Ratio	Increase / (decrease)
Current Ratio	Current Assets	1272779722	1321129492	
	Current Liabilities	472605164.6	537464567.9	
		2.69	2.46	0.24
Debt-Equity Ratio	Total Liabilities	2828982729	2681602958	
	Shareholders Equity	1971089386	1814412633	
		1.44	1.48	(0.04)
Debt Service Coverage ratio	Net Operating Income(EBITDA)	50,07,74,599	53,05,80,130	
	Total Debt Service	1,53,24,406	87,97,446	
		32.68	60.31	(27.63)
Return on Equity	PAT	20,25,17,255	25,80,08,115	
	Shareholder Equity	1,97,10,89,386	1,81,44,12,633	
		10.27%	14.22%	-3.95%
Inventory Turnover Ratio	Sales excld other income	2,63,59,18,618	1,69,17,24,461	
	Average Inventory	6,16,99,578	6,98,41,565	
		42.72	24.22	18.50
Trade Recievables Turnover Ratio	Total Sales	2,72,04,92,721	1,75,30,83,956	
	Trade Recieveables	17,20,46,530	11,44,09,182	
		15.81	15.32	0.49
Trade Payables Turnover Ratio	Net Credit Purchase	1,44,73,29,857	48,05,52,724	
	Average Payable	11,99,54,530	9,99,99,838	
		4.81	4.81	-
Net Capital Turnover Ratio	Net Annual Sales	2,63,59,18,618	1,69,17,24,461	
	Average Working Capital	80,02,83,018	78,36,64,924	
		3.29	2.16	1.13
Net profit Ratio	Revenue-Cost	20,25,17,255	25,80,08,115	
	Revenue	2,63,59,18,618	1,75,30,83,956	
		7.68%	14.72%	-7.03%
Return on Capital Employed	Net Profit	20,25,17,255	25,80,08,115	
	Capital Employed	2,35,63,77,564	2,14,41,38,391	
		8.59%	12.03%	-3.44%
Return on Investment	Net Income	20,25,17,255	25,80,08,115	
	Total Assets	2,82,89,82,729	2,68,16,02,958	
		7.16%	9.62%	-2.46%

SUBRATA DEBNATH
Chief Financial Officer,
TNGCL, Tripura.

S.C. Reang
Director (Commercial)
Tripura Natural Gas Co. Ltd.

(A. ANBARASAN)
Managing Director,
Tripura Natural Gas Co. Ltd.,
Kunjaban, Agartala Tripura

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

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

Accounting Policy Under Ind AS

Standalone Financial Statement of Tripura Natural Gas Company Limited for the period ended 31 March 2023

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 December 2022 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 31st March 2023 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 including employee cost for the project 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.

Pradeep Kr. Mahato
Company Secretary
TNGCL, Agartala

DEBRATA DEBNATH
Financial Officer,

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HO KOLKATA

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

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

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.

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.

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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.

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

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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 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

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 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 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

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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.

- **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 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

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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.

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.

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.

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Tripura Natural Gas Co. Ltd.
Kunjaban, Agartala Tripura (W)

SANAT & ASSOCIATES
FRN-317078E
H.O.AGARTALA
B.O.KOLKATA
CHARTERED ACCOUNTANTS

Pradeep Kr. Mahato
Company Secretary,
TNGCL, Agartala.

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

प्रधान महालेखाकार (लेखापरीक्षा) का कार्यालय,
त्रिपुरा,अगरतला
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
TRIPURA, AGARTALA
पिन/ PIN – 799006
फ़ोन / Phone : 235-5494/235-0063
फैक्स/ Fax – 0381-2350158/ 235-0423
ईमेल/ Email: agautripura@cag.gov.in

Dated: 29-08-2023

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

Subject: Management letter on the accounts of Tripura Natural Gas Company Limited for the year ended 31 March 2023.

Sir,

After conducting Supplementary audit on the accounts of Tripura Natural Gas Company Limited for the year ended 31 March 2023, 'Nil' Comments have been issued on 29-08-2023.

In this regard, a Management letter is being issued for Audit Observation issued vide OBS-843133 on the subject 'Non-provisioning of expenditure - ₹ 6.17 lakh' against which the Management of TNGCL had accepted the audit observation and assured appropriate action. The same is now issued as 'Annexure' to the Management letter for ensuring compliance in subsequent year accounts.

Yours faithfully,

Sd/-
Sr. Deputy Accountant General (AMG II)

OBS-843133

Non-provisioning of expenditure - ₹ 6.17 lakh

Balance Sheet as at 31.03.2023
Equity and Liabilities
Current Liabilities
Financial Liabilities
-Trade payable
(i) total outstanding dues of micro and small enterprises (Note No. 13A) – ₹ 2.26 crore

The above is understated by ₹ 6.17 lakh due to non-provision of expenditures pertaining to the financial year 2022-23 which were paid during 2023-24, as detailed below. This further resulted in understatement of Loss for the current year by the same amount.

Sl. No.	Bill Date	Voucher No and Date	Amount (₹)	Details
1	13.12.22	11/JV-05/ Dt.10.04.23	74,200.00	Paid to Visit service of TGT Fuel Technologies Pvt. Ltd.
2	13.01.23	33/JV-12 Dt.21.04.23	5,43,299.00	Paid to Oval Project Eng. Pvt. Ltd. for transportation of CNG.
		Total	**6,17,499.00**	

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 2023

The preparation of financial statements of **Tripura Natural Gas Company Limited** for the year ended **31 March 2023** 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 is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their audit report dated **03 May 2023**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of **Tripura Natural Gas Company Limited** for the year ended **31 March 2023.** 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. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

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

Place: Agartala
Date: 29th August 2023

29/8/23

Principal Accountant General (Audit), Tripura

PRINCIPAL ACCOUNTANT GENERAL (AUDIT), TRIPURA

सत्यमेव जयते

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Ltr No: AMG-I Wing/2023-2024/DIS-1071017
Date: 30 Aug 2023

To,

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

Subject: Issue of Comment on the accounts of Tripura Natural Gas Company Limited for the FY 2022-23 (PR-65117)

Sir/Madam,

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 2023, 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.

A 'Management letter' is also being issued (enclosed) for compliance by the management.

The receipt of the comment may kindly be acknowledged.

Yours faithfully,

Encls: As above

Rahul Kumar
Sr. DAG

Copy to:-

Ltr No : AMG-I Wing/2023-2024/DIS-1071017/C1

The Director General (NER-I),
Office of the Comptroller and Auditor General of India,
9, Deen Dayal Upadhyay Marg,
New Delhi – 110124.

(Kind attention please : Shri. P. K. Sharma, SAO)

Tripura Natural Gas Company Limited

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

Registered Address: Shilpa Nigam Bhawan, Khejurbagan, PO-Kunjavan, Agartala-799006
Website: www.tngclonline.com