



Mohan L. Jain & Co.

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHAGAWATI GAS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of BHAGAWATI GAS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

- (i) Advances of Rs. 197.99 lacs are considered doubtful for recovery. The management is hopeful of recovering the amount in due course of time and therefore provisions there against are not considered necessary. Accordingly, we are unable to comment upon the consequential impact, if any, on the statement.



- (ii) The Company is yet to receive Bank Balance Confirmation from a Bank for Rs. 52,807/- included under cash and cash equivalents as on 31st Mar 2022. Accordingly, we are unable to comment upon the consequential impact, if any, on the statement.

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. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 statements that give a true and fair view and are



free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a



material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

Report on other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies),



including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Mohan L Jain & Co**

Chartered Accountants

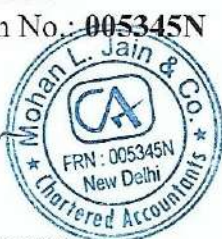
Firm's Registration No.: **005345N**


Ankush Jain

Partner

Membership No.: 540194

UDIN: 22540194AJWDTB7262



Place: New Delhi

Date: 30 May 2022

“Annexure A” referred to in Paragraph 17 of the Independent Auditor’s Report of even date to the members of Bhagawati Gas Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The company is not having any intangible assets; hence this clause is not applicable

- (b) All the Property, Plant and Equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification

- (c) As explained to us, all the title deeds of immovable properties are held in the name of the company.

- (d) As explained to us, the Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

- (ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (b) As explained to us, The Company has not been sanctioned any working capital limits from banks or financial institution on the basis of security of current assets during the financial year.

- (iii) (a) According to the information and explanations given to us, the company has provided loans to Others during the year as per details given below:

Particulars	Loans (₹ in Hundreds)	Advances in nature of loans (₹ in Hundreds)
Aggregate amount provided/granted during the year:		
- Others		
Balance outstanding as at		



balance sheet date in respect of above cases:		
- Others	49,530	

- (b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company. Further the Company has not provided any guarantees, advances in the nature of loans or given any security.
- (c) According to the information and explanations given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are outstanding. In respect of advance in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal is outstanding. Please refer note no. 7 & 9 of the Financial Statements.
- (d) There is overdue amount in respect of loans granted to such companies or other parties. Please refer note no. 7 & 9 of the Financial Statements.
- (e) The Company has not granted any loan or advance during the year in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) As explained to us, the Company has not granted loans which are repayable on demand
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments as applicable. There are no guarantees or security given by the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) According to the records of the company and information and explanations given to us, except for the table as mentioned below, the Company has been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI),

Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues wherever applicable to it with the appropriate authorities.



Nature of the Statute	Nature of Dues	Amount	Period to which Amount relates	Due date	Date of Payment
Service Tax	Service Tax	1,96,853	Opening Balance, and April 2017 to June 2017	6 th of Succeeding month	Not paid

- (b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Please refer note no. 13 of Financial Statements.
- (b) According to the information and explanations given to us and representation received from the management of the company, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (d) In our opinion and according to the information and explanations given to us, the company has not obtained any term loan; hence this clause is not applicable.
- (e) In our opinion and according to the information and explanations given to us, and the company has not raised any short term fund; hence this clause is not applicable.
- (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or



optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

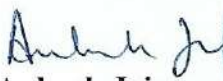
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under this clause is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) According to the information and explanations given to us, the (a) The Central Government has not prescribed to appoint internal auditor under section 138 of the Act, for any of the services rendered by the Company; (b) This clause is not applicable to the company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the company (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date



of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Mohan L Jain & Co**
Chartered Accountants
Firm Registration No. **005345N**


Ankush Jain

Partner

Membership No. 540194



Place: New Delhi

Date: 30th May 2022

UDIN: 22540194AJWDTB7262

“ANNEXURE –B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF BHAGAWATI GAS LIMITED

Report on the Internal Financial Controls 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 Bhagawati Gas Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditors’ Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and the Guidance Note issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

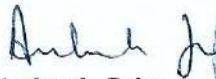
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohan L Jain & Co

Chartered Accountants

Firm Registration No. 005345N


Ankush Jain

Partner

Membership No. 540194



Place: New Delhi

Date: 30th May 2022

UDIN: 22540194AJWDTB7262

BHAGAWATI GAS LIMITED
(Formerly known as Bhagawati Gases Limited)
Balance Sheet as at 31 March 2022

		(All amount in ₹ '00, unless stated otherwise)	
PARTICULARS	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	1	2,49,648.31	2,49,391.23
Income tax assets (net)	2	95,031.35	97,791.87
Total non-current assets		3,44,679.66	3,47,183.10
Current assets			
Financial assets			
Investments	3	5,430.00	1,285.00
Trade receivables	4	19,783.64	8,258.04
Cash and cash equivalents	5	1,34,205.80	59,950.19
Other bank balances	6	8,71,754.96	8,66,750.90
Loans	7	50,203.81	46,963.81
Deferred tax Asset (Net)	8	16,737.22	16,879.86
Other current assets	9	3,73,939.58	3,68,469.82
Total current assets		14,72,055.01	13,68,557.62
Total assets		18,16,734.67	17,15,740.72
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	16,74,245.90	16,74,245.90
Other equity	11	-2,67,545.84	-3,54,061.91
Total equity		14,06,700.06	13,20,183.99
Liabilities			
Non-current liabilities			
Provisions	12 A	9,710.78	52,467.03
Total non-current liabilities		9,710.78	52,467.03
Current liabilities			
Financial liabilities			
Borrowings	13	27,000.00	27,000.00
Other financial liabilities	14	2,89,982.52	2,80,078.47
Other current liabilities	15	26,326.61	20,082.05
Provisions	12 B	57,014.70	15,929.18
Total current liabilities		4,00,323.83	3,43,089.70
Total liabilities		4,10,034.61	3,95,556.73
Total equity and liabilities		18,16,734.67	17,15,740.72

The accompanying notes are integral part of the standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For **Mohan L Jain & Co.**

Chartered Accountants

Firm registration no. 005345N

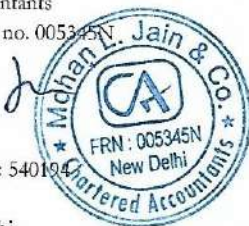
Ankush Jain
Ankush Jain
Partner

Membership No.: 54019

Place: New Delhi

Date: 30th May 2022

UDIN : 22540194AJWDTB7262



For and on behalf of the Board of Directors

Bhagawati Gas Limited

Rakesh S. Bhardwaj
Rakesh S. Bhardwaj
Chairman and Managing Director
[DIN:00029757]

Sanjana Sharma
Sanjana Sharma
Company Secretary

Shachi Bhardwaj
Shachi Bhardwaj
Director
[DIN: 07232850]

Dyuman S. Bhardwaj
Dyuman S. Bhardwaj
Chief Financial Officer

BHAGAWATI GAS LIMITED
(Formerly known as Bhagawati Gases Limited)
Statement of profit and loss for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

PARTICULARS	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations			
Other income	16	1,10,734.85	-
Total Income	17	<u>3,21,508.16</u>	<u>54,090.24</u>
		<u>4,32,243.01</u>	<u>54,090.24</u>
Expenses			
Purchase of stock-in-trade	18	80,000.00	-
Employee benefits expense	19	79,073.82	71,438.77
Finance costs	20	6,013.10	12,454.66
Depreciation and amortisation expense	1	15,479.51	15,209.60
Other expenses	21	<u>1,71,213.64</u>	<u>86,891.75</u>
Total expenses		<u>3,51,780.07</u>	<u>1,85,994.78</u>
Profit/(Loss) before tax		<u>80,462.94</u>	<u>-1,31,904.54</u>
Tax expense	22		
Current tax		-	-
Deferred tax		142.64	43,380.77
Tax on Earlier Years			
Profit/(Loss) for the year		<u>80,320.30</u>	<u>-1,75,285.31</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		6,195.77	10,577.63
Total comprehensive income/(loss) for the year		<u>86,516.07</u>	<u>-1,64,707.68</u>
Earnings per equity share	23		
Basic (in Rs.)		0.01	(0.01)
Diluted (in Rs.)		0.01	(0.01)

The accompanying notes are integral part of the standalone financial statements.

This is the standalone statement of profit or loss referred to in our report of even date

For **Mohan L Jain & Co.**
Chartered Accountants
Firm registration no. 005345N

Ankush Jain
Ankush Jain
Partner

Membership No.: 540194

Place: New Delhi
Date: 30th May 2022
UDIN : 22540194AJWDTB7262



For and on behalf of the Board of Directors
Bhagawati Gas Limited

Rakesh S. Bhardwaj
Rakesh S. Bhardwaj
Chairman and Managing Director
[DIN:00029757]

Sanjana Sharma
Sanjana Sharma
Company Secretary

Shachi Bhardwaj
Shachi Bhardwaj
Director

[DIN: 07232850]

Dyuman S. Bhardwaj
Dyuman S. Bhardwaj
Chief Financial Officer

BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Cash Flow Statement for the year ended 31 March 2022**PARTICULARS**

(All amount in ₹ '00, unless stated otherwise)

A CASH FLOWS FROM OPERATING ACTIVITIES

	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	80,462.94	(1,31,904.54)
Adjustments for:		
Depreciation of property, plant and equipments	15,479.51	15,209.60
Interest income on bank deposits and financial assets measured at amortised cost	(3,20,536.74)	(53,803.24)
Excess provision for expenses written back	6,195.77	10,577.63
Net (gain)/loss arising on financial instruments at FVTPL	(4,145.00)	(287.00)
Finance costs	6,013.10	12,454.66
Bad debts written off	18,871.88	4,445.81
Operating profit before working capital changes	(1,97,658.54)	(1,43,307.08)
Movement in working capital		
(Increase)/decrease Other current assets	(5,469.76)	(18,112.45)
(Increase)/decrease in current assets	142.64	43,380.76
Trade receivables	(30,397.48)	(4,205.10)
Other non-current assets	2,760.52	(2,232.50)
Other current financial and non-financial liabilities	57,234.13	(1,20,937.40)
Other non-current liabilities	(42,756.25)	(3,910.64)
Cash flow from operations	(2,16,144.74)	(2,49,324.41)
Income tax paid/Deferred Tax (net of refunds)	(142.64)	(43,380.76)
Net cash flow from operating activities (A)	(2,16,287.38)	(2,92,705.16)

B CASH FLOWS FROM INVESTING ACTIVITIES

Current and non-current loans		
Interest received	(3,240.00)	119.80
Purchase of property, plant and equipment	3,20,536.74	53,803.24
Net cash used in investing activities (B)	(15,736.59)	-
	3,01,560.15	53,923.04

C CASH FLOWS FROM FINANCING ACTIVITIES

Finance cost paid	(6,013.10)	(12,454.66)
Net cash used in financing activities (C)	(6,013.10)	(12,454.66)
Increase/(decrease) in cash and cash equivalents (A+B+C)	79,259.67	(2,51,236.78)
Cash and cash equivalents at the beginning of the year	9,26,701.09	11,77,937.87
Cash and cash equivalents at the end of the year (refer note 6)	10,05,960.76	9,26,701.09
Reconciliation of cash and cash equivalents as per cash flow statement		
Cash in hand	5,759.05	17,907.47
Balances with banks		
In current accounts	37,808.65	4,042.72
Cheques in hand	90,638.10	38,000.00
Bank deposits with original maturity	8,71,754.96	8,66,750.90
	10,05,960.76	9,26,701.09

The accompanying notes are integral part of the standalone financial statements.
This is the standalone cash flow statement referred to in our report of even date.

For Mohan L Jain & Co.

Chartered Accountants

Firm registration no. 005345N

Ankush Jain
Ankush Jain

Partner

Membership No.: 540194

Place: New Delhi

Date: 30th May 2022

UDIN : 22540194AJWDTB7262



For and on behalf of the Board of Directors
Bhagawati Gas Limited

Rakesh S. Bhardwaj
Rakesh S. Bhardwaj
Chairman and Managing
Director
[DIN:00029757]

Sanjana Sharma
Sanjana Sharma
Company Secretary

Shachi Bhardwaj
Shachi Bhardwaj
Director
[DIN: 07232850]

Dyuman S. Bhardwaj
Dyuman S. Bhardwaj
Chief Financial Officer

BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Statement of changes in equity for the year ended 31 March 2022

A. Equity Share Capital

Balance at the beginning of 1st April, 2020	Changes in equity share capital during the year 2020-21	Balance as at 31st March, 2021	Balance at the beginning of 1st April, 2021	Changes in equity share capital during the year 2021-22	Balance as at 31st March, 2022
16,74,245.90	-	16,74,245.90	16,74,245.90	-	16,74,245.90

(All amount in ₹ '00, unless stated otherwise)

B. Other Equity

Particulars	Reserves and Surplus			Total
	Securities Premium Account	General Reserve	Retained Earnings	
As on 31st March 2021				
Balance at the beginning of 1st April 2020	6,67,001.65	1,25,112.48	-9,81,468.36	-1,89,354.23
Net Profit/Loss for the year			-1,75,285.31	
Other comprehensive income for the year	-	-	10,577.63	10,577.63
Balance at the end of 31st March 2021	6,67,001.65	1,25,112.48	-11,46,176.04	-3,54,061.91
As on 31st March 2022				
Balance at the beginning of 1st April 2021	6,67,001.65	1,25,112.48	-11,46,176.04	-3,54,061.91
Net Profit/Loss for the year			80,320.30	
Other comprehensive income for the year	-	-	6,195.77	6,195.77
Balance at the end of 31st March 2022	6,67,001.65	1,25,112.48	-10,59,659.97	-2,67,545.84

The accompanying notes are integral part of the standalone financial statement.

This is the standalone statement of changes in equity referred to in our report of even date.

For Mohan L Jain & Co.

Chartered Accountants

Firm registration no. 005345N

Ankush Jain
Partner

Membership No.: 540194

Place: New Delhi

Date: 30th May 2022

UDIN : 22540194AJWDTB7262

For and on behalf of the Board of Directors
Bhagawati Gas LimitedRakesh S. Bhardwaj
Chairman and Managing Director
[DIN:00029757]Sanjana Sharma
Company SecretaryShachi Bhardwaj
Director
[DIN: 07232850]Dyuman S. Bhardwaj
Chief Financial Officer

BHAGAWATI GAS LIMITED

(Formerly known as Bhagwati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Note 1

Property, plant and equipment

(All amount in ₹ '00, unless stated otherwise)

PARTICULARS	Gross Block				Depreciation				Net Block	
	As at 31 March, 2021	Additions/ Adjustment	Deductions/ Adjustments	As at 31 March, 2022	Upto 31 March, 2021	For Current period	Deductions/ Adjustments	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Freehold Land	66,753.40	-	-	66,753.40	-	-	-	-	66,753.40	66,753.40
Building	5,32,870.99	15,474.60	-	5,48,345.59	3,60,761.71	12,161.06	-	3,72,922.77	1,75,422.82	1,72,109.28
Lease Hold Improvement	71,412.12	-	-	71,412.12	60,883.57	3,313.30	-	64,196.87	7,215.25	10,528.55
Plant & Machinery	4,648.76	-	-	4,648.76	4,648.76	-	-	4,648.76	-	-
Furniture & Fixture	-	261.99	-	261.99	-	5.15	-	5.15	256.84	-
Total	6,75,685.27	15,736.59	-	6,91,421.86	4,26,294.04	15,479.51	-	4,41,773.55	2,49,648.31	2,49,391.23



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

	As at 31 March 2022	As at 31 March 2021
Note 2		
Income tax assets (net)		
Advance tax (net of provision)	61,785.20	55,909.18
MAT credit entitlement	32,242.79	40,879.33
Fringe benefit tax	1,003.36	1,003.36
	<u>95,031.35</u>	<u>97,791.87</u>
Note 3		
Investments		
In equity shares - quoted		
Bhagawati Oxygen Limited	5,430.00	1,285.00
[10,000 equity shares (Previous year 10,000 equity shares) of Rs 10 each]		
	<u>5,430.00</u>	<u>1,285.00</u>
Note 3.1		
Category wise current investments		
Financial assets measured at fair value through profit & loss (FVTPL)	5,430.00	1,285.00
Note 4		
Trade receivables		
(Unsecured, considered good, unless otherwise stated)		
Considered good	19,783.64	8,258.04
	<u>19,783.64</u>	<u>8,258.04</u>
Note 5		
Cash and cash equivalents		
Cash in hand	5,759.05	17,907.47
Balances with banks		
In current accounts	37,808.65	4,042.72
Cheques in hand	90,638.10	38,000.00
	<u>1,34,205.80</u>	<u>59,950.19</u>
Note 6		
Other bank balances		
Bank deposits with maturity of more than three months and upto twelve months	8,71,754.96	8,66,750.90
	<u>8,71,754.96</u>	<u>8,66,750.90</u>
Note 7		
Loans - current		
(Unsecured, considered good)		
Loan*	49,530.00	46,290.00
Security deposits	673.81	673.81
	<u>50,203.81</u>	<u>46,963.81</u>
*Loan is outstanding since 1994. Principal component is INR 30 lakhs.		
Note 8		
Deferred tax assets (net)		
Deferred tax assets (net)	16,737.22	16,879.86
	<u>16,737.22</u>	<u>16,879.86</u>
Note 9		
Other current assets		
Advance to material/service providers	2,16,618.60	2,04,040.31
Advance to employees	68,296.73	77,374.13
Advance for property*	80,120.78	78,903.51
Balances with government authorities	6,127.86	4,709.04
Others	2,775.63	3,442.84
	<u>3,73,939.58</u>	<u>3,68,469.82</u>

*Advance for property contains the advance amount of INR 70,00,000/- to one party outstanding since 1995.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Note 10 Equity share capital	As at 31 March 2022		As at 31 March 2021	
	Number	Amount (in Rs.)	Number	Amount (in Rs.)
i Authorised				
Equity Shares of Rs. 10 each	2,50,00,000.00	25,00,000.00	2,50,00,000.00	25,00,000.00
		<u>25,00,000.00</u>		<u>25,00,000.00</u>
ii Issued, subscribed and paid up				
Equity Shares of Rs. 10 each	1,67,42,459.00	16,74,245.90	1,67,42,459.00	16,74,245.90
		<u>16,74,245.90</u>		<u>16,74,245.90</u>
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Equity shares				
Balance at the beginning of the year	1,67,42,459.00	16,74,245.90	1,67,42,459.00	16,74,245.90
Add: Call money received		-		-
Balance at the end of the year	<u>1,67,42,459.00</u>	<u>16,74,245.90</u>	<u>1,67,42,459.00</u>	<u>16,74,245.90</u>

iv Description of the rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having the par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. All shareholders are equally entitled to dividends. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

v Details of shareholders holding more than 5% of equity share capital

Name of the equity shareholder	Number	%	Number	%
Rakesh Samrat Bhardwaj	23,47,610	14.02%	23,47,610	14.02%
Shachi Bhardwaj	9,77,600	5.84%	9,77,600	5.84%
Bhagawati Steels Private Limited	10,40,600	6.22%	10,40,600	6.22%

vi Promoters shareholding

Equity shareholding of promoters as on March 31, 2022

Promoter name	As at 31 March, 2022		As at 31 March, 2021		
	Number of shares	% of total shares	Number of shares	% of total shares	% change during the year
RAKESH SAMRAT BHARDWAJ	23,47,610	14.02%	23,47,610	14.02%	-
SHACHI BHARDWAJ	9,77,600	5.84%	9,77,600	5.84%	-
R.P. BHARDWAJ	50,100	0.30%	50,100	0.30%	-
DHARAMPAL SAROWA	10	0.00%	10	0.00%	-
DYUMAN BHARDWAJ	14,000	0.08%	14,000	0.08%	-
GOKULA NANDA MUKHERJEE	500	0.00%	500	0.00%	-
HIMANSHU SHARMA	4,49,363	2.68%	4,49,363	2.68%	-
KANTA DEVI BHARDWAJ	33,410	0.20%	33,410	0.20%	-
LAXMICHAUD SHARMA	10	0.00%	10	0.00%	-
MANSACHARAN CHAKRABARTY	10	0.00%	10	0.00%	-
MURLIDHAR GUPTA	10	0.00%	10	0.00%	-
PADMAJA BHARDWAJ	34,300	0.20%	34,300	0.20%	-
RAMPRATAP SHARMA	10	0.00%	10	0.00%	-
RAMRUP SHARMA	1,71,810	1.03%	1,71,810	1.03%	-
S.K. SHARMA	30,400	0.18%	30,400	0.18%	-
SARBATI DEVI SHARMA	1,46,450	0.87%	1,46,450	0.87%	-
SHASHI SHARMA	1,000	0.01%	1,000	0.01%	-
SUMAN SHARMA	6,000	0.04%	6,000	0.04%	-
SURESH KUMAR SHARMA	34,250	0.20%	34,250	0.20%	-
TARA DEVI SHARMA	11,700	0.07%	11,700	0.07%	-
VIVEK SHARMA	24,400	0.15%	24,400	0.15%	-
BHAGAWATI STEEL PVT LTD	10,40,600	6.22%	10,40,600	6.22%	-
BHAGAWATI OXYGEN LIMITED	90,000	0.54%	90,000	0.54%	-
S N STEELS PVT LTD	81,900	0.49%	81,900	0.49%	-
BLUE CROSS SERVICES PVT LTD	70,000	0.42%	70,000	0.42%	-
NGP INDUSTRIES PVT LTD	50,000	0.30%	50,000	0.30%	-
LAVINO PORTFOLIOS PVT LTD	40,000	0.24%	40,000	0.24%	-
BHAGAWATI INTERNATIONAL PVT LTD	25,000	0.15%	25,000	0.15%	-
Total	57,30,443	34.23%	57,30,443	34.23%	



BHAGAWATI GAS LIMITED

(Formerly known as Bhagwati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Equity shareholding of promoters as on March 31, 2021

Promoter name	As at 31 March, 2021		As at 31 March, 2020		
	Number of shares	% of total shares	Number of shares	% of total shares	% change during the year
RAKESH SAMRAT BHARDWAJ	23,47,610	14.02%	23,47,610	14.02%	-
SHACHI BHARDWAJ	9,77,600	5.84%	9,77,600	5.84%	-
B.P. BHARDWAJ	50,100	0.30%	50,100	0.30%	-
DIHARAMPAL SAROWA	10	0.00%	10	0.00%	-
DYUMAN BHARDWAJ	14,000	0.08%	14,000	0.08%	-
GOKULA NANDA MUKHERJEE	500	0.00%	500	0.00%	-
HIMANSHU SHARMA	4,49,363	2.68%	4,49,363	2.68%	-
KANTA DEVI BHARDWAJ	33,410	0.20%	33,410	0.20%	-
LAXMICHAND SHARMA	10	0.00%	10	0.00%	-
MANSACHARAN CHAKRABARTY	10	0.00%	10	0.00%	-
MURIDHAR GUPTA	10	0.00%	10	0.00%	-
PADMAJA BHARDWAJ	34,300	0.20%	34,300	0.20%	-
RAMPRATAP SHARMA	10	0.00%	10	0.00%	-
RAMRUP SHARMA	1,71,810	1.03%	1,71,810	1.03%	-
S.K. SHARMA	30,400	0.18%	30,400	0.18%	-
SARBATI DEVI SHARMA	1,46,450	0.87%	1,46,450	0.87%	-
SHASHI SHARMA	1,000	0.01%	1,000	0.01%	-
SUMAN SHARMA	6,000	0.04%	6,000	0.04%	-
SURESH KUMAR SHARMA	34,250	0.20%	34,250	0.20%	-
TARA DEVI SHARMA	11,700	0.07%	11,700	0.07%	-
VIVEK SHARMA	24,400	0.15%	24,400	0.15%	-
BHAGAWATI STEEL PVT LTD	10,40,600	6.22%	10,40,600	6.22%	-
BHAGAWATI OXYGEN LIMITED	90,000	0.54%	90,000	0.54%	-
S K STEELS PVT LTD	81,900	0.49%	81,900	0.49%	-
BLUE CROSS SERVICES PVT LTD	70,000	0.42%	70,000	0.42%	-
NGP INDUSTRIES PVT LTD	50,000	0.30%	50,000	0.30%	-
LAVINO PORTFOLIOS PVT LTD	40,000	0.24%	40,000	0.24%	-
BHAGAWATI INTERNATIONAL PVT LTD	25,000	0.15%	25,000	0.15%	-
Total	57,30,443	34.23%	57,30,443	34.23%	-

vii No shares have been issued for consideration other than cash during the period of five years immediately preceding the reporting date.

viii There are no bonus shares issued, or shares bought back during the period of five years immediately preceding the reporting date.

ix There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

	As at 31 March 2022	As at 31 March 2021
Note 11		
Other equity		
Securities Premium Account	6,67,001.65	6,67,001.65
General Reserve	1,25,112.48	1,25,112.48
Retained Earnings	-10,59,659.97	-11,46,176.04
Total	-2,67,545.84	-3,54,061.91
Note 12		
A Provisions - non-current		
Provision for employee benefits:		
Gratuity	3,604.64	23,495.05
Compensated absences	6,106.14	28,971.98
	9,710.78	52,467.03
B Provisions - current		
Provision for employee benefits:		
Gratuity	31,514.87	13,494.64
Compensated absences	25,499.83	2,434.54
	57,014.70	15,929.18
Note 13		
A Borrowings - current		
Unsecured loans		
Loan from others*	27,000.00	27,000.00
	27,000.00	27,000.00
*Loan is outstanding since 1994.		
Note 14		
Other financial liabilities - current		
Other payables*	2,76,851.12	2,66,756.71
Payable to related parties^^	8,490.50	8,680.86
Security deposit received	4,640.90	4,640.90
Bank Overdraft	-	-
	2,89,982.52	2,80,078.47
*Other payables contains amount of INR 235.23 lakhs, which is disputed against supply of plant and machinery since 1994.		
^^Payable to related parties		
Bhagawati Steel Private Limited	8,490.50	8,680.86
Note 15		
Other current liabilities		
Audit Fees Payable	1,200.00	2,200.00
Payable to statutory authorities	2,301.03	2,267.28
Employee payables	22,825.58	15,614.77
	26,326.61	20,082.05



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Note 16		
Revenue from operations		
Sale of Goods	91,591.00	-
Water Treatment income	19,143.85	-
	1,10,734.85	-
Note 17		
Other income		
Interest income on bank deposits	36,278.47	50,191.09
Discount Received	971.42	-
Other interest income	2,84,258.27	3,899.15
	3,21,508.16	54,090.24
Note 18		
Purchases		
Purchase of Stock-in-trade	80,000.00	-
	80,000.00	-
Note 19		
Employee benefits expense		
Salaries and wages	57,687.95	53,677.21
Other employee benefits	4,525.04	530.60
Staff welfare expenses	16,860.83	17,230.96
	79,073.82	71,438.77
Note 20		
Finance costs		
Interest on Over Draft	-	5,926.37
Interest others	6,013.10	6,528.30
	6,013.10	12,454.66
Note 21		
Other expenses		
Travelling and conveyance	15,990.91	13,187.89
Electricity charges	5,350.68	4,749.55
Balances/Bad debts written off	18,871.88	4,445.81
Auditor's remuneration	1,200.00	2,200.00
Security expenses	6,755.48	6,359.86
Legal and professional	11,056.00	7,389.17
Communication expenses	1,358.48	1,002.89
Repairs and maintenance	35,998.20	11,471.75
Insurance	482.50	397.44
Rates and taxes	1,550.91	904.19
Marketing and business promotions	7,886.26	7,882.14
Donations	5,556.28	1,421.31
Miscellaneous expenses	28,363.89	13,093.35
Office and administrative expenses	4,615.91	5,469.04
Printing and stationery	3,860.99	794.18
Vehicle running and maintenance	7,284.27	6,123.18
Water Treatment expenses	15,030.99	-
	1,71,213.64	86,891.75



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

Note 22**Tax Expenses**

Current tax

Deferred tax credit

Income tax expense recognised in the statement of profit and loss

-142.64

-142.64

-43,380.77

-43,380.77

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Profit Before Tax	80,462.94	(1,31,904.54)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	-	-
Current Tax Provisions (A)	-	-
Incremental deferred tax liability/(asset) on account of financial asset and others	142.64	43,380.77
Deferred Tax Provisions (B)	142.64	43,380.77
Tax on earlier years (C)	-	-
Tax expenses recognised in statement of profit and loss (A+B+C)	142.64	43,380.77

Note 23**Earnings per share (EPS)**

Earnings per share ("EPS") is determined based on the net profit attributable to the shareholders. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except where the result would be anti-dilutive.

	As at 31 March 2022	As at 31 March 2021
Profit attributable to equity shareholders	86,516.07	(1,64,707.68)
Profit attributable to equity shareholders adjusted for the effect of dilution	86,516.07	(1,64,707.68)
Weighted average number of equity shares for basic EPS	1,67,42,459	1,67,42,459
Weighted average number of equity shares adjusted for the effect of dilution	1,67,42,458	1,67,42,458
Earnings per equity share		
Basic	0.01	(0.01)
Diluted	0.01	(0.01)



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

(All amount in ₹ '00, unless stated otherwise)

Note 24**Related party transactions**

In accordance with the requirements of Ind AS 24 the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

i) Entities under common control

Lavino Portfolios Private Limited
Bhagwati Steel Private Limited
Bhagawati International Limited

ii) Key management personnel (KMP)

Rakesh Samrat Bhardwaj	Director
Ganga Charan	Director
Shachi Bhardwaj	Director
Mr. Dyuman Samrat Bhardwaj	Chief Financial Officer
Sanjana Sharma	Company Secretary

(a) Transactions with related parties carried out in the ordinary course of business:

S No.	Particulars	Year	Related parties		Total
			Entities under common control	Key management personnel and their relatives	
1	Salaries				
	Rakesh Samrat Bhardwaj	31-Mar-22	-	18,600.00	18,600.00
		31-Mar-21	-	18,600.00	18,600.00
	Shachi Bhardwaj	31-Mar-22	-	6,750.00	6,750.00
		31-Mar-21	-	6,000.00	6,000.00
	Dyuman Samrat Bhardwaj	31-Mar-22	-	6,750.00	6,750.00
		31-Mar-21	-	6,000.00	6,000.00
	Sanjana Sharma	31-Mar-22	-	3,600.00	3,600.00
		31-Mar-21	-	1,300.00	1,300.00
2	Expenses paid on behalf of				
	Rakesh Samrat Bhardwaj	31-Mar-22		3,610.18	3,610.18
		31-Mar-21		8,801.30	8,801.30
	Bhagawati International Limited	31-Mar-22	940.98	-	940.98
		31-Mar-21	152.00	-	152.00
	Bhagawati Steel Pvt. Ltd.	31-Mar-22	190.36	-	190.36
		31-Mar-21	262.13	-	262.13
	Dyuman Samrat Bhardwaj	31-Mar-22		6,251.10	6,251.10
		31-Mar-21		9,596.99	9,596.99
	Shachi Bhardwaj	31-Mar-22		685.00	685.00
		31-Mar-21		2,010.00	2,010.00
	Lavino Portfolios Private Limited	31-Mar-22		-	-
		31-Mar-21	11.00	-	11.00
3	Amount Repaid				
	Dyuman Samrat Bhardwaj	31-Mar-22	-	6,251.10	6,251.10
		31-Mar-21	-	9,596.99	9,596.99
	Rakesh Samrat Bhardwaj	31-Mar-22	-	3,610.18	3,610.18
		31-Mar-21	-	8,801.30	8,801.30
	Bhagawati International Limited	31-Mar-22	15,040.98	-	15,040.98
		31-Mar-21	652.00	-	652.00
	Shachi Bhardwaj	31-Mar-22	-	685.00	685.00
		31-Mar-21	-	2,010.00	2,010.00
	Lavino Portfolios Private Limited	31-Mar-22	-	-	-
		31-Mar-21	11.00	-	11.00
4	Advance Given				
	Bhagawati International Limited	31-Mar-22	14,100.00	-	14,100.00
		31-Mar-21	500.00	-	500.00

(b) Closing balance with related parties in the ordinary course of business :

S No.	Particulars	Year	Related parties		Total
			Entities under common control	Key management personnel and their relatives	
1	Other financial liabilities - current				
	Bhagawati Steel Private Limited	31-Mar-22	8,490.50	-	8,490.50
		31-Mar-21	8,680.86	-	8,680.86



BHAGAWATI GAS LIMITED

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Notes to the financial statements for the year ended 31 March 2022

Note 25**Capital management**

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To maintain optimum capital structure and to reduce cost of capital

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is not subject to externally imposed capital requirements. The Company has complied with debt covenants as per the terms of the borrowing facility arrangements. The Company manages its capital requirements by overseeing the gearing ratio:

Particulars	(All amount in ₹ '00, unless stated otherwise)	
	As at 31 March 2022	As at 31 March 2021
Total borrowings	27,000	27,000
Total equity	14,06,700	13,20,184
Net debt to equity ratio	1.92%	2.05%

Note 26**Contingent liabilities and commitments:**

Particulars	(All amount in ₹ '00, unless stated otherwise)	
	As at 31 March 2022	As at 31 March 2021
Counter Guarantee given to bankers for guarantees issued by the banker (Net of margins)	8,66,751	8,66,751



BHAGAWATI GAS LIMITED

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Notes to the financial statements for the year ended 31 March 2022

Note 27**Trade receivables ageing (including unbilled)**

(All amount in ₹ '00, unless stated otherwise)

31 March 2022

Particulars	Outstanding for following periods from due date of collection							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables-considered good	-	-	11,384.70	-	140.90	1,902.16	6,355.88	19,783.64
Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-	-
Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-	-
Total	-	-	11,384.70	-	140.90	1,902.16	6,355.88	19,783.64

31 March 2021

Particulars	Outstanding for following periods from due date of collection							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables-considered good	-	-	-	-	1,902.16	-	6,355.88	8,258.04
Undisputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-	-
Disputed trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-	-
Total	-	-	-	-	1,902.16	-	6,355.88	8,258.04



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Note 28**Financial Ratios**

(All amount in ₹ '00, unless stated otherwise)

Particulars	Numerator (refer notes below)	Denominator (refer notes below)	As at 31st March 2022	As at 31st March 2021	% of change	Reasons for more than 25% increase/(decrease):
a. Current Ratio	Current Assets (CA)	Current Liabilities (CL)	3.68	3.99	-8%	Not Applicable (NA)
b. Debt-Equity Ratio	Debt	Equity	0.02	0.02	-6%	Not Applicable (NA)
c. Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	16.93	-11.85	-243%	The variance pertains to profit made during the current FY in comparison to loss made during the previous FY.
d. Return on Equity Ratio/Return on investment	Profit after tax	Average Shareholder Equity	5.89%	-12%	-147%	The variance pertains to revenue from operations earned during the year
e. Trade Receivables turnover ratio	Net Credit Sales	Average Receivables	7.90	0.00	100%	There were no revenue from operations in the previous FY
f. Net capital turnover ratio	Net Sales	Working Capital	0.10	0.00	100%	There were no revenue from operations in the previous FY
g. Net profit ratio	Profit after tax	Revenue from Operation	0.73	0.00	100%	There were no revenue from operations in the previous FY
h. Return on Capital employed	Earning before interest and tax	Capital employed	6.11%	-9%	-170%	There were loss in the previous FY

i) Debt = Long Term Borrowing + Short Term Borrowing

ii) Equity = Share Capital + other Equity

iii) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Finance Cost

iv) Debt Service = Interest + Lease payments + Principal repayments

v) Average Shareholder Equity = (Opening total equity + Closing total equity) / 2

vi) Average Receivable = (Opening Receivable + Closing Receivable) / 2

vii) Working Capital = Current assets - Current Liabilities

viii) Capital employed = Total Asset - Goodwill - Current Liabilities



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Note 29

(All amount in ₹ '00, unless stated otherwise)

Defined benefit plans

The Company provides gratuity (which is unfunded) as employee benefit schemes to its employees. The following table sets out the status of the defined benefit scheme and the amount recognised in the financial statements.

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	Gratuity	
	Year ended 31.03.2022	Year ended 31.03.2021
Defined Benefit obligation at beginning of the year	36,989.69	50,420.83
Current Service Cost	2,050.72	1,602.96
Interest Cost	2,274.87	3,418.53
Actuarial (gain)/ loss	(6,195.77)	(10,577.63)
Benefits paid	-	(7,875.00)
Defined Benefit obligation at year end	35,119.51	36,989.69

ii) Expenses recognised during the year:

Particulars	Gratuity	
	Year ended 31.03.2022	Year ended 31.03.2021
In Income Statement		
Current Service Cost	2,050.72	1,602.96
Interest Cost	2,274.87	3,418.53
Net Cost	4,325.59	5,021.49
In Other Comprehensive Income		
Actuarial (gain)/loss on defined benefit obligation	-6,195.77	-10,577.63
Net (Income) /Expense recognized in OCI	-6,195.77	-10,577.63

iii) Actuarial assumptions:

Particulars	Gratuity	
	Year ended 31.03.2022	Year ended 31.03.2021
Mortality Table (IALM)	2012-14	2012-14
Discount rate (per annum)	7.16	6.15
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	5.50	5.50

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

iv) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	Gratuity	
	As at 31st March	
	2022	2021
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	35,119.51	36,989.69
i) Impact due to increase of 0.5%	(241.87)	(232.37)
ii) Impact due to decrease of 0.5%	269.25	246.43
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	351.20	369.90
i) Impact due to increase of 0.5%	272.36	2,467.92
ii) Impact due to decrease of 0.5%	(246.59)	(234.85)



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

These plan typically expose the Company to actuarial risks such as : investment risk, interest risk, longevity risk and salary risk.

a) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest risk

A decrease in the bond interest rate will increase the plan liability.

c) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and other their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

d) Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 30

Corporate Social Responsibility (CSR) expenditure

CSR Amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule III thereto by the company during the year is Nil (Previous Year Nil)

Note 31

Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Notes to the financial statements for the year ended 31 March 2022

Note 32

The company is now engaged in work related to cleaning of water bodies, hence segment reporting is not applicable.

Note 33

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slow down of economic activity. The company is evaluated impact of this pandemic on its business operations and based on this review and current indicators of future economic conditions, there is no significant impact on its financial results.

Note 34

Previous year figures have been regrouped, wherever considered necessary.

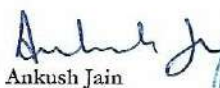
The accompanying notes are integral part of the standalone financial statements.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Mohan L Jain & Co.

Chartered Accountants

Firm registration no. 005345N


Ankush Jain
Partner

Membership No.: 540194



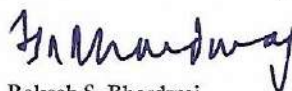
Place: New Delhi

Date: 30th May 2022

UDIN : 22540194AJWD7B7262

For and on behalf of the Board of Directors

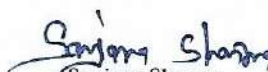
Bhagawati Gas Limited

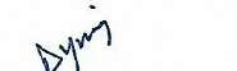


Rakesh S. Bhardwaj
Chairman and Managing Director
[DIN:00029757]



Shachi Bhardwaj
Director
[DIN: 07232850]


Sanjana Sharma
Company Secretary


Dyuman S. Bhardwaj
Chief Financial Officer

BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

Bhagawati Gas Limited ('the Company') is a company incorporated in India. The principal activity of the Company is now cleaning of water bodies.

B. ACCOUNTING POLICIES

B.1 STATEMENT OF COMPLIANCE

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the companies Act, 2013.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirement of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

B.2 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

B.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment:

Under the previous GAAP (erstwhile Indian GAAP), Property Plant and Equipments, were carried in the balance sheet at historical cost. The Company has elected to regard those values of property as deemed cost as at April 1, 2016 (date of transition to Ind AS).

Recognition and de-recognition

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labor cost and other direct costs incurred up to the date the asset is ready for its intended use.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-progress.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised

Subsequent measurement (depreciation)

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Pursuant to the enactment of the Companies Act, 2013 (the Act), cost of leasehold improvements is being amortised over the remaining period of lease of the premises. Plant and machinery - distribution equipment is being depreciated over a period of 10 years.

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

(b) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.



BHAGAWATI GAS LIMITED

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Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

(c) Intangible assets:

Recognition and de-recognition

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Subsequent measurement (amortisation)

The cost of intangible asset is amortized over a period of its useful life from the date of its acquisition.

Computer software is being depreciated over a period of 5 years.

(d) Development Expenses

Revenue expenditure pertaining to pre-production activity is charged to the Profit and Loss Statement. Development costs of shows are charged to the Profit and Loss Statement unless a shows's feasibility has been established, in which case such expenditure is recognised as work-in-progress.

(e) Borrowing Cost

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably.

Other borrowing costs are recognised as an expense in the year in which they are incurred.

(f) Inventories

Items of inventories are measured at lower of cost and net realisable value.

(g) Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of operations.

(h) Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(i) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Other Comprehensive Income.

Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to the Profit and Loss Statement in the year of exercise of option by the employee

(j) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

(l) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of fixed assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. 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 measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.



BHAGAWATI GAS LIMITED

(Formerly known as Bhagawati Gases Limited)

Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- it can be reliably measured and it is reasonable to expect ultimate collection

(n) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Financial Instruments

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting

II Subsequent measurement

Non Derivative Financial Instruments

(i) Financial assets carried at amortised cost (AC) :

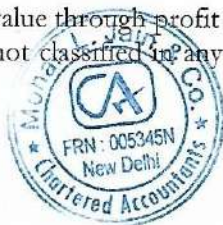
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal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

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

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

(iii) Financial assets at fair value through profit or loss (FVTPL) :

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



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Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value either as at FVTOCI or FVTPL. The company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables
- d) Trade receivables or any contractual right to receive cash or another financial asset
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

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

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III. De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

IV. Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value and such value may vary from actual realization on future date.



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Summary of Significant accounting policies and other explanatory information for the year ended 31 March 2022

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

- **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Recoverability of advances/receivables** – At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.
- **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements** - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

