Abhijit Dutt & Associates
Chartered Accountants
8/2, Kiran Sankar Roy, Rooms 2&3, Second Floor,
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TO WHOM IT MAY CONCERN

We have conducted audit of Annual Accounts of **BENGAL GAS COMPANY LIMITED,** 1st Floor, Block-A, Finance Centre, CBD, Action Area – II B, New Town, Kolkata 700161 (PAN: AAICB1994M), for the year ended 31st March, 2026 in accordance with the directions / sub directions issued by the C&AG of India under section 143(5) of The Companies Act, 2013 and certify that we have complied with all the Directions/ Sub Directions issued to us.

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

Dated: 30th April 2026
Place: Kolkata

ABHIJIT DUTT & ASSOCIATES ★ Kolkata ★ Chartered Accountants

Mainak Sen
Partner
[Membership No. 067270]
UDIN: 26067270JTCWGM2814

Abhijit Dutt & Associates
Chartered Accountants
8/2, Kiran Sankar Roy, Rooms 2&3, Second Floor,
Calcutta 700 001

INDEPENDENT AUDITORS' REPORT

To the Members of
BENGAL GAS COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BENGAL GAS COMPANY LIMITED ("the Company")** which comprise the Balance Sheet as of March 31, 2026, 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 notes to the financial statements including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31st March 2026 and the Loss and other comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 3 on Capital work in progress and its ageing schedule read with Note no 47 about Impairment of Assets to the accompanying financial statements, which describes that certain items of Capital Work-in-Progress (CWIP) have not been capitalised and continue to be carried under CWIP as at the balance sheet date. The management has explained that the delay in capitalisation is due to several technical factors like joining of

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pipeline network & statutory permissions. Pending such capitalisation, depreciation has not been charged on these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
We have determined the matter described below to be the key audit matter to be brought to your attention.

Key Audit Matter	Description	Our Response
Revenue Recognition	The Company is in the business of City Gas Distribution, i.e. through CNG, LNG and CBG stations and piped PNG gas. Revenue from operations (sale of gas) is a key indicator for measuring the performance of the entity. It is considered a Key Audit Matter due to the inherent risks involved in ensuring the accuracy, completeness, and cut-off in recognition and measurement of the revenue in the Financial Statements, considering the following aspects: - Varied pricing structures for different types of customers and frequency of price change - customer base with high transaction volumes - Capturing Gas consumption data for invoicing - Assumptions used in estimating unbilled revenue at the year-end - use of IT systems to manage the billing operation - Ensuring compliance with Ind AS 115 on revenue recognition.	Our approach was a combination of tests of internal controls, analytical and substantive procedures, which included the following: - Obtaining a detailed understanding of the processes and contro s designed and implemented by the Management for Revenue Recognition from various types of customers. - Evaluating the appropriateness of accounting policies, related disclosures made, and overall presentation in the Financial Statements in terms of Ind AS 115. - Assessing the design, implementation, and operating effectiveness of controls, including IT controls, considered material for the purposes of our audit. - Performing analytical procedures for revenues, by comparing sales quantities and prices for the current year with the previous year and enquiring with the reasons for any significant trends or fluctuations.
Capital work in progress	Capital work in progress is considered a key audit matter due to the significant balance involved and the judgment required in determining the appropriateness of capitalized costs, project progress, and transfer to fixed assets upon completion." This matters because CWIP involves significant estimation and classification judgments.	Our approach was a combination of tests of internal controls, analytical and substantive procedures, which included the following: -Reviewing project-wise CWIP schedules. -Verifying invoices, contracts, and supporting documents. -Checking capitalization of borrowing costs.

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		-Inspecting project status and completion milestones. -Assessing delays, suspension, or impairment indicators. -Confirming timely transfer to fixed assets after completion.

Information other than the Financial Statements and Auditors Report thereon.

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report but does not include the Financial Statements and our auditor's report thereon.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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, misinterpretations, or the override of internal control.

- Obtain an understanding of internal financial 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 expression 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.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

2. As required by section 143 (3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

    e) Pursuant to the Notification No. GSR 463 (E) dated 05^{th} June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub section (2) of Section 164 of the Companies Act, 2013 are not applicable to the Company, being a Government Company.

    f) Pursuant to Notification No. GSR 463 (E) dated 05^{th} June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of section 197 of the Companies Act, 2013, are not applicable to the Company, being a Government Company.

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g) 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".

h) As required by section 143 (5) of the Companies Act, 2013, our comments with regard to directions and additional directions issued by the Comptroller and Auditor General of India is given in "Annexure – C".

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

  i. The Company does not have any pending litigations as at March 31, 2026, which would impact its financial position.

  ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

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

  b)The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

  c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

  v. No Dividend has been declared or paid by the company during the year.

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vi. Based on our examination which included test checks, for the financial year ended March 31, 2026, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded it the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

Dated: 30th April 2026
Place: Kolkata

Mainak Sen
Partner
[Membership No. 067270]
UDIN:26067270JTCWGM2814

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (1) "Report on Other legal and regulatory requirements" of the Independent Auditors' of the Independent Auditors' Report of even date to the members of **BENGAL GAS COMPANY LIMITED** on the Financial Statements as at 31st March 2026 and for the year ended on that date

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification. Except underground natural gas distribution system and gas meters installed at customer premises which as per management cannot be physically verified. In our opinion, the frequency of verification of the PPE is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) As represented to us by the management and based on the audit procedures carried by us and the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties (other than the property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company. The details of exceptions are given in "Annexure I" attached.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets during the year. Accordingly, the provisions of Clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that 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.

(ii) (a) According to the information and explanations given to us, having regard to the nature of the inventory of Compressed Natural Gas, the management has followed a policy for estimation of quantity of Compressed Natural Gas which is based on volume of cascades containing the Compressed Natural Gas considering the standard temperature and pressure since as per the management it is not possible to physically verify the same.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the company has not been

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sanctioned working capital limits in excess of Rs. 5 Crores in aggregate at any point of time during the year from banks or financial institutions on the basis of security of Current Assets. Accordingly, the provisions of Clause 3(ii)(b) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that during the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act are applicable. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has specified the maintenance of cost records under sub - section (1) of Section 148 of the Act for the Company for the year 2025-26. Accordingly, the provisions of clause 3(vi) of the Order are applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, value Added Tax, Cess and any other Statutory Dues, as applicable, to the appropriate authorities. There are no undisputed statutory dues as at the last day of the year which have been outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, there are no statutory dues referred to in sub clause (a) which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that there are no transactions which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company.

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(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has not defaulted in repayments of loans and borrowings or in the payment of interest thereon to any lender during the year.

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.

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

(e) According to the information and explanation given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, (as defined under Companies Act, 2013) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanation given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the company has made rights issue of shares and the provisions of section 62 of the Companies Act, 2013 have been duly complied with and the funds have been used for the purposes for which the funds were raised.

(xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no fraud by the company or fraud on the company has been noticed or reported during the year.

(b) No report under sub – section (12) of section 143 of the Companies Act, 2013 is required to be filed by us in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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Chartered Accountants
Kolkata

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no whistle blower complaints have been received during the year by the company.

(xii) The company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that all transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) The company has an internal audit system entrusted to an external agency, which in our opinion, is commensurate with the size and nature of its business.

(b) Internal audit report for the period 01st April 2025 to 31st December 2025 is received and has been considered by us in our report.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that the Company has not entered into any non - cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us and on the basis of our examination of the records, the Company is not required to be registered under Section 45 – IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

(xvii) The Company has incurred cash loss of Rs. 83.40 Lacs in the financial year and Rs. 656.94 Lacs in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors during the year. Accordingly, the provisions of Clause 3(xviii) of the Order are 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 the company is not capable of meeting its liability 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 upto the date of the audit report and we neither give any guarantee nor any

ABHIJIT DUTTA & ASSOCIATES Chartered Accountants Kolkata 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 and on the basis of our examination of the records of the Company, we report that the provisions of section 135 of the Companies Act, 2013 are applicable to the company. However, on account of loss incurred by the company during the preceding three financial year the provision is not required to be created.

(xxi) According to the information and explanations given to us and on the basis of our examination of the records, the provisions of Clause 3(xxi) of the Order are not applicable to the Company.

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

Dated: 30th April 2026
Place: Kolkata

Mainak Sen
Partner
[Membership No. 067270]
UDIN:26067270JTCWGM2814

Annexure -I

Immovable Property not held in the name of the Company

Referred to in clause (i)(c) of Annexure-A

Sl. No.	Description of item of Property	Gross Carrying Value (Rs. in Lakhs)	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoters/ director or employee of promoter/director	Property Held Range (Financial Year)	Reason for not being held in name of Company (also indicate if in cispute)
1	Mohanpur	577.32	Kolkata Municipal Development Authority (KMDA)	No	2025-26	Execution Date is not yet received from KMDA
2	Gurdaha	239.92	Kolkata Municipal Development Authority (KMDA)	No	2025-26	Execution Date is not yet received from KMDA
3	Unsani	1,100.88	Kolkata Municipal Development Authority (KMDA)	No	2025-26	Execution Date is not yet received from KMDA

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ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 (g) to "Report on Other legal and regulatory_requirements" of theof the Independent Auditor's Report of even date to the members of **BENGAL GAS COMPANY LIMITED** on the Financial Statements for the year ended March 31, 2026

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

We have audited the internal financial controls over financial reporting of **BENGAL GAS COMPANY LIMITED ("the Company")** as of 31st March 2026 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the Company 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

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

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

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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 cf 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, to the best of our information and according to the explanations given to us, 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, 2026, based on the criteria for 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 Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

ABHIJIT DUTT & ASSOCIATES Chartered Accountants ★ Kolkata ★

Dated: 30th April 2026
Place: Kolkata

Mainak Sen
Partner
[Membersh p No. 067270]
UDIN: 26067270JTCWGM2814

ANNEXURE - C TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(h) to "Report on Other legal and regulatory requirements" of the Independent Auditor's Report of even date to the members of **BENGAL GAS COMPANY LIMITED** on the Financial Statements for the year ended March 31, 2026.

Replies to the Directions issued to Statutory Auditors under Section 143 (5) of the Companies Act, 2013

Sr. No	Point	Reply
1.	Assess the fair valuation of the investments, both quoted and unquoted made directly by the company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviation or misstatements.	On the basis of the information and explanation given to us and on the basis of our examination of the records of the Company, the company does not hold or has invested any amount in any quoted and unquoted investments as on the balance sheet date of the company. The company holds all its investments in short term fixed deposits with the Scheduled Banks and the same is valued at carrying cost.
2.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies financial reporting process as well as cyber security has been done by Information Security Auditing Organisations empanelled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	The Company maintains its books of account on IT system, Tally Prime, which is an ERP system. All accounting transactions are processed in accounts and maintained on Tally Prime. No review of the system and controls of the companies financial reporting process and cyber security has been carried out by the Information Security Auditing Organisations during the year. Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed or carried outside the IT system of the Company. Accordingly, in our opinion, there are no implications on the integrity of the accounts.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per applicable accounting standards or norms and whether the received funds were utilised as per its term and conditions? Whether accounting of interest earned or grants received has been done as per the terms and conditions of the grant. List the cases of deviation.	On the basis of the information and explanation given to us and on the basis of our examination of the records of the Company, no funds have been received or are receivable for specific schemes from Central / State Government or its agencies.

ABHIJIT DUTT & ASSOCIATES
Chartered Accountants
Kolkata

Sr. No	Point	Reply
4.	Whether the company has identified the key risk areas? If yes, whether the company has formulated any Risk Management Policy to mitigate the risks? If yes, (a) Whether the risk management policy has been formulated considering global best practices? (b) Whether the company has identified its data assets and whether it has been valued appropriately?	On the basis of the information and explanation given to us and on the basis of our examination of the records of the Company, the company has identified the risk areas and has a risk management policy in place to mitigate the identified risk. (a) The risk management pol cy has been formulated considered the global best practices and same is being reviewed by the company at regular intervals. (b) The data assets of the company is identified, however the valuation of the same has not been done.
5.	Whether the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI and not applicable on the company being an unlisted Government of India company. The company is complying with all acts, rules, regulation enacted and orders issued from time to time by the Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable on the company.

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

Abhijit Dutt & Associates
Chartered Accountants
Kolkata

Dated: 30th April 2026
Place: Kolkata

Mainak Sen
Partner
[Membership No. 067270]
UDIN:26067270JTCWGM2814

BENGAL GAS COMPANY LIMITED
(A Subsidiary of GAIL (India) Ltd.)
Balance Sheet as at 31st March 2026

(Rs.in Lakh)

Particulars	Notes	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2	26,235.41	11,160.28
(b) Other Intangible Assets	2A	2,556.08	2,101.66
(c) Right to Use Assets	2B	9,171.15	5,801.33
(d) Capital Work In Progress	3	74,969.87	73,452.86
(e) Deferred Tax Assets (Net)	4	1,746.83	1,352.73
(f) Financial Asset			
(i) Other Financial Assets	5	99.35	37.88
(g) Other Non-Current Assets	6	206.01	1,437.09
Total Non Current Assets		**1,14,984.70**	**95,343.83**
Current Assets			
(a) Inventories	7	47.58	18.98
(b) Financial assets			
(i) Trade Receivables	8	1,535.60	396.08
(ii) Cash and Cash equivalents	9	2,868.32	17,297.19
(iii) Bank Balances other than (ii) above	10	20,525.03	4,716.56
(iv) Other Financial Assets	11	328.11	199.14
(c) Current Tax Assets (Net)	12	131.69	82.48
(d) Other Current Assets	13	30.96	66.88
Total Current Assets		**25,467.29**	**22,777.31**
Total Assets		**1,40,451.99**	**1,18,121.14**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	1,03,874.00	91,236.00
(b) Other Equity	15	(5,032.25)	(3,926.40)
Total equity		**98,841.75**	**87,309.60**
Liabilities			
Non Current Liabilities			
(a) Financial Liablities			
(i) Borrowings	16	29,000.00	23,543.05
(ii) Lease Liabilities	17	2,245.43	2,012.67
(b) Provisions	18	9.37	-
Total Non Current Liabilities		**31,254.80**	**25,555.72**
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liablities	19	635.41	441.07
(ii) Trade Payables			
- Dues of Micro and Small Enterprises	20	496.95	52.99
- Other than Micro and Small Enterprises	20	887.35	580.32
(iii) Other Financial Liabilities	21	8,034.50	4,040.19
(b) Other Current Liabilities	22	294.80	141.25
(c) Provisions	23	6.44	-
Total Current Liabilities		**10,355.45**	**5,255.82**
Total Equity and Liabilities		**1,40,451.99**	**1,18,121.14**

The accompanying notes forming part of the financial statements
This is the Balance Sheet referred to in our report of even date

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No. : 315049E]

Mainak Sen
Partner
[Membership No. : 067270]
UDIN : 26067270JTCWGM2814
Dated : 30th April 2026
Place: Kolkata

(Arijit Banik)
CFO
PAN - AFYPB3722R

(A. K. Tripathi)
Director
DIN- 08531893

For and on behalf of Board

(A. Mukhopadhyay)
CEO
PAN-AATPM9017G

(Sanjay Kumar)
Chairman
DIN-08346704

BENGAL GAS COMPANY LIMITED
(A Subsidiary of GAIL (India) Ltd.)
Statement of Profit and Loss for the Year ended 31st March 2026

(Rs. in Lakh)

	Particulars	Notes	For the year Ended 31st March 2026	For the year Ended 31st March 2025
I	**Income**			
	Revenue from Operations	24	10,604.32	5,355.76
	Other Income	25	1,410.40	914.53
	Total Income		**12,014.72**	**6,270.29**
II	**Expenses**			
	Purchase of Stock In Trade	26	8,111.03	4,398.08
	Changes in Inventories of Stock in Trade	27	(28.60)	(6.17)
	Excise Duty	28	1,451.66	743.32
	Employee Benefit Expenses	29	91.21	76.04
	Finance Cost	30	236.31	30.31
	Depreciation and Amortisation Expenses	31	1,393.62	398.75
	Other Expenses	32	2,249.45	1,855.09
	Total Expenses		**13,514.68**	**7,495.42**
III	**Profit / (Loss) Before Tax**		**(1,499.96)**	**(1,225.13)**
IV	Tax Expense			
	Current Tax		-	-
	Deferred Tax		**394.11**	**335.12**
V	**Profit / (Loss) for the year**		**(1,105.85)**	**(890.01)**
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income / (Expense) for the year**		**(1,105.85)**	**(890.01)**
VIII	**Earnings / (Loss) per equity share (In Rupees) : (Face value of share of Rs 10 each)**			
	Basic	39	**(0.12)**	**(0.11)**
	Diluted	39	**(0.12)**	**(0.11)**

The accompanying notes forming part of the financial statements
This is the Statement of Profit & Loss referred to in our report of even date

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No. : 315049E]

ABHIJIT DUTT & ASSOCIATES Chartered Accountants Kolkata

Mainak Sen
Partner
[Membership No. : 067270]
UDIN : 26067270JTCWGM2814
Dated : 30th April 2026
Place: Kolkata

(Arijit Banik)
CFO
PAN - AFYPB3722R

(A. K. Tripathi)
Director
DIN- 08531893

For and on behalf of Board

(A. Mukhopadhyay)
CEO
PAN-AATPM9017G

(Sanjay Kumar)
Chairman
DIN-08346704

BENGAL GAS COMPANY LIMITED
(A Subsidiary of GAIL (India) Ltd.)
Statement of Cash Flows for the year ended 31st Mach 2026

(Rs.in Lakh)

Particulars	For the year Ended 31st March 2026		For the year Ended 31st March 2025	
A. Cash Flow from Operating activities:				
Profit / (Loss) before Tax		**(1,499.96)**		**(1,225.13)**
Adjustments for				
Depreciation	1,543.36		527.21	
Provision for CWIP	-		169.44	
Provision for CWIP Reversed Back	(177.00)		-	
Provision for Gratuity Liablity	15.81		-	
Provision for Loss by Fire	199.94		-	
Finance Cost	236.31		30.31	
Interest Income	(1,181.92)	636.50	(708.82)	18.14
Operating profit before working capital changes		**(863.46)**		**(1,206.98)**
Adjustments for (increase)/decrease in working capital				
Other Financial Assets	(128.97)		116.00	
Inventories	(28.60)		(6.17)	
Trade Receivables	(1,139.52)		(289.17)	
Other Current Assets	35.93		36.58	
Trade Payables	750.99		226.95	
Other Financial Liabilities	3,994.31		(1,375.63)	
Other Current Liabilities	153.55	3,637.69	18.11	(1,273.33)
Cash generated from operations		**2,774.23**		**(2,480.31)**
Income Tax paid		(49.21)		(53.02)
Net cash generated from operating activities		**2,725.02**		**(2,533.33)**
B. Cash Flow from Investing activities:				
Purchase of Fixed Assets	(452.28)		(268.12)	
Purchase of ROU Assets	(3,427.00)		(1,264.19)	
Capital Advances paid	1,231.08		(552.09)	
Security Deposits Paid	(61.47)		(12.94)	
Expenses on Capital Work In Progress	(18,382.90)		(12,195.24)	
Sale of Store Item	1,018.65		893.84	
Increase in Fixed Deposits	(15,857.74)		(1,837.36)	
Shortage/(Excess) Debits and Credit	49.27			
Interest Received	1,181.92	(34,700.47)	708.82	(14,527.28)
Net cash flow from investing activities		**(34,700.47)**		**(14,527.28)**
C. Cash Flow from Financing activities:				
Finance Cost		(236.31)		(30.31)
Lease Liablity Paid		(312.06)		(97.00)
Net Proceeds from Issue of Shares		12,638.00		16,646.03
Long Term Borrowing repaid during the year		(23,543.05)		-
Long Term Borrowing taken during the year		29,000.00		7,956.17
Net cash from financing activities		**17,546.58**		**24,474.89**
Net increase/(decrease) in cash and cash equivalents		**(14,428.87)**		**7,414.26**
Cash and cash equivalents at the beginning of the period		17,297.19		9,882.92
Cash and cash equivalents at the end of the period		**2,868.32**		**17,297.19**
Cash and Cash equivalents comprises of				
Balance with Banks				
Balance in Bank Accounts		286.06		530.22
Cash in Hand		5.36		6.29
Fixed Deposits with original maturity of less than 3 months		2,576.90		16,760.68
		2,868.32		**17,297.19**

ABHIJIT DUTT & ASSOCIATES
Chartered Accountants
Kolkata

Note:

Reconciliation between tbe opening and closing balances in the balance sheet for liabilities arising from financing activities

(Rs.in Lakh)

Particulars	Borrowings		Lease Liablities	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Opening Balance	23,543.05	15,586.88	2,453.74	83.67
Cash Flow during the year:				
Loan taken during the year	29,000.00	7,956.17	-	
Repaid during the year	(23,543.05)	-	(312.06)	(97.00)
Non Cash changes due to:				
Acquisition of ROU	-	-	739.15	2,467.08
Closing Balance	**29,000.00**	**23,543.05**	**2,880.83**	**2,453.74**

The accompanying notes forming part of the financial statements

This is the Cash Flow Statement referred to in our report of even date

For Abhijit Dutt & Associates
Chartered Accountants
[Firm Registration No. : 315049E]

Mainak Sen
Partner
[Membership No. : 067270]
UDIN : 26067270JTCWGM2814
Dated : 30th April 2026
Place: Kolkata

(Arijit Banik)
CFO
PAN - AFYPB3722R

(A. K. Tripathi)
Director
DIN- 08531893

For and on behalf of Board

(A. Mukhopadhyay)
CEO
PAN-AATPM9017G

(Sanjay Kumar)
Chairman
DIN-08346704

BENGAL GAS COMPANY LIMITED

(A Subsidiary of GAIL (India) Ltd.)

Statement of Changes in Equity for the year ended 31st March 2026

(5)

A) **Equity Share Capital**

For the year ended 31st March 2026

Particulars	Note No	(Rs. In Lakhs)
Balance at the 1st April, 2025	14	91,236.00
Right Issue of Equity Shares during the year		12,638.00
Balance at the 31st March 2026		**1,03,874.00**

For the year ended 31st March 2025

Particulars	Note No	(Rs. In Lakhs)
Balance at the 1st April, 2024	14	74,588.00
Right Issue of Equity Shares during the year		16,648.00
Balance at the 31st March 2025		**91,236.00**

B) **Other Equity**

For the year ended 31st March 2026

(Rs. In Lakh)

Particulars	Shares Application Money Pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus			Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	Retained Earnings		
Balance at the 01st April 2025	-	-	-	-	(3,926.40)	-	(3,926.40)
Profit/(Loss) for the year	-	-	-	-	(1,105.85)	-	(1,105.85)
Share Issue Expenses	-	-	-	-	-	-	-
Balance as at 31st March 2026	-	-	-	-	(5,032.25)	-	(5,032.25)

For the year ended 31st March 2025

(Rs. In Lakh)

Particulars	Shares Application Money Pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus			Other items of Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	Retained Earnings		
Balance at the 01st April 2024	-	-	-	-	(3,034.43)	-	(3,034.43)
Profit/(Loss) for the year	-	-	-	-	(890.01)	-	(890.01)
Share Issue Expenses	-	-	-	-	(1.97)	-	(1.97)
Balance as at 31st March 2025	-	-	-	-	(3,926.40)	-	(3,926.40)

The accompanying notes forming part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For Abhijit Dutt & Associates

Chartered Accountants

[Firm Registration No. : 315049E]

Abhijit Dutt & Associates Chartered Accountants Kolkata

Mainak Sen

Partner

[Membership No. : 067270]

UDIN : 26067270JTCWGM2814

Dated : 30th April 2026

Place: Kolkata

(Arijit Banik)

CFO

PAN - AFYPB3722R

(A. K. Tripathi)

Director

DIN- 08531893

For and on behalf of Board

(A. Mukhopadhyay)

CEO

PAN-AATPM9017G

(Sanjay Kumar)

Chairman

DIN-08346704

BENGAL GAS COMPANY LIMITED

Notes forming part of the Financial Statements for the year ended 31st March 2026

1 A. Corporate Information and Material Accounting Policies

Corporate Information / Company Overview

Bengal Gas Company Limited ("BGCL" or the company) is a limited company domiciled in India (CIN: U40300WB2019GOI229618) and was incorporated on 4th January 2019. The Company is a subsidiary of GAIL (India) Limited; a Government of India undertaking and is formed as a Joint Venture with Greater Calcutta Gas Supply Corporation Limited (GCGSCL), a Government of West Bengal Enterprise. As on 31st March 2026 GAIL (India) Ltd. is holding 88.13 % and Greater Calcutta Gas Supply Corporation Limited is holding 11.87 % in BGCL. The registered office of the company is located at 1st Floor, Block A, Finance Centre CBD, Action Area - II B, New Town, Kolkata, West Bengal – 700161. The company has been incorporated to develop City Gas Distribution (CGD) network in Kolkata and parts of adjoining districts of North 24 Parganas, South 24 Parganas, Howrah, Hooghly, and Nadia to cater to gas supply to customers in the domestic, transport, and commercial sectors.

The financial Statements of the Company were authorized for issue in accordance with a resolution of the Board of Directors on **30th April 2026**.

Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by the Ministry of Corporate Affairs ("MCA") under section 133 of the Companies Act, 2013 ("Act"), read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and Guidance Note on Accounting for Gas Producing Activities (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI).

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

The Company's Financial Statement is presented in Indian Rupees (INR), which is also its functional currency, and all values are rounded to the nearest Lakhs (up to two decimals) except when otherwise stated.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. As the operating cycle cannot be identified in normal course due to special nature of industry, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

ABHIJIT DUTT & ASSOCIATES Chartered Accountants Kolkata

Material Accounting Policies

1.1 Property Plant and Equipment (PPE)

a) Tangible Assets

(i) Property, Plant and Equipment are stated at original cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation/ amortization and cumulative impairment losses (if any). Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

(ii) Stores & Spares which meet the definition of PPE (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as PPE in the underlying asset. Major inspection / overhaul / repair is recognized in the carrying amount of respective assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

(iii) Technical know-how / license fee / permission charges / wayleave charges/ restoration charges relating to plants /facilities and specific software that are integral part of the related hardware are capitalized as part of the underlying asset.

(iv) Enabling assets such as roads, electric transmission lines, transformers etc. which meets the recognition criteria of PPE are capitalized as part of the underlying asset.

b) Intangible Assets

(i) Intangible assets like Right of Use (ROU) acquired for laying of pipelines, Software, Licenses etc which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

(ii) Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.2 Capital Work In Progress

(a) The capital work in progress includes Construction Stores including Material in Transit / Equipment / Services, etc. received at site for use in the projects. The Construction Stores are valued at weighted average cost. Further, specific provision is made for likely diminution in value, wherever required.

(b) All revenue expenses incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

(c) Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use are disclosed under Capital Work-in-Progress.

ABHIJIT DUTT & ASSOCIATES Chartered Accountants Kolkata

(d) Development costs of products are charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

1.3 Foreign Currency Transaction

(a) Functional Currency of the Company is Indian Rupee (INR).

(b) Transactions in foreign currency are initially accounted at the spot exchange rate prevailing on the transaction date.

(c) Monetary items (such as Cash, Receivables, Loans, Payables, etc.) denominated in foreign currencies, outstanding at the reporting date, are translated at spot exchange rates prevailing on year end.

(d) Non-monetary items (such as Investments, Property plant and equipment, etc.), denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transactions other than those measured at fair value.

(e) Any gains or loss arising on account of exchange difference either on settlement or on translation is adjusted in the Statement of Profit & Loss.

(f) Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item arising on determination of fair value of such item, either in other comprehensive income or the Statement of Profit and Loss as the case maybe.

1.4 Borrowing Cost

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds. Other borrowing costs are recognized as expense in the year of incurrence.

1.5 Inventories

(a) Stock in Trade of Compressed Natural Gas (CNG) in Cascades & DCU and Natural Gas in pipeline is valued at cost on Weighted Average basis or net realizable value, whichever is lower.

(b) Raw materials and finished goods are valued at weighted average cost or net realizable value, whichever is lower. Finished goods include excise duty and royalty wherever applicable.

(c) Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realisable value, whichever is lower.

ABHIJIT DUTT & ASSOCIATES Chartered Accountants Kolkata

(d) Surplus / Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realisable value.

1.6 Revenue Recognition

(a) Revenue is recognized to depict the transfer of control of promised goods or services to customers upon the satisfaction of performance obligation under the contract in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Consideration includes contributions by customers towards assets over which Company has control.

(b) Insurance claims (if any) are accounted for on the basis of claims admitted by the insurers.

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

(d) Interest income and expenses are reported on an accrual basis using the effective interest method.

1.7 Depreciation / Amortization

(a) Tangible Assets

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

(ii) Depreciation due to price adjustment in the original cost of fixed assets is charged prospectively.

(iii) In case of immovable assets constructed on leasehold assets are depreciated over useful life as per schedule II or lease period whichever is lower.

(iv)The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate. The depreciation/amortization for future periods is revised if there are significant changes from previous estimates.

(v) Residual value of PPE is determined considering past experience is between 0 to 5% of cost of PPE.

(b) Intangible Assets

(i) Intangible assets comprising software and licenses are amortized on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years except perpetual software and licenses which is not amortised but are tested for impairment annually.

(ii) Right of Use (RoU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of the respective asset) are not amortised but are tested for impairment annually.

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(ii) After impairment of assets, if any, depreciation is provided on the revised carrying amount of assets over its remaining useful life.

(c) Right of Use Assets (Leasehold Assets)

(i) Right of Use Assets are depreciated on Straight Line Method over the lease term. If the ownership of the leasehold assets transfers to the Company at the end of the lease term then it is depreciated over its useful life of the asset. Perpetual Right of Use Assets related to land are not depreciated but tested for impairment loss, if any.

(ii) Cost of the leasehold land is amortized over the lease period except perpetual leases

(d) Capital assets facilities installed at the consumers premises

Capital assets facilities installed at the consumers premises on the land whose ownership is not with the company, has been depreciated on SLM basis in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

1.8 **Employee Benefits**

(a) All short-term employee benefits are accounted in the accounting period in which the services have been incurred.

(b) The Company's contribution to the Provident Fund is remitted to the regulatory authorities based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss /CWIP. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

(c) Employee Benefits under Defined Benefit Plans in respect of Gratuity, are provided using the Projected Unit Credit method of actuarial valuation made at the end of the year.

(d) The employees of the company are also provided on deputation from Parent companies. Claims raised by the parent companies in respect of such employees deputed to the company is considered as Deputation & Secondment Expenses under the head "Other Expenses".

(e) No Long-Term Employment obligations are envisaged to the company hence the same has not been considered.

1.9 **Impairment of Non – Financial Assets**

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

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1.10 Provision, Contingent Liabilities, Contingent Assets and Capital Commitments

(a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(b) The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation.

(c) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

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

(e) Show Cause Notices (SCNs) issued by various Government authorities are generally not considered as obligation. However, when the demand notices are raised against the SCNs and disputed by the Company, they are classified as disputed obligations.

(f) Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

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

(h) Estimated amount of contracts (Inclusive of Tax & net of advances) remaining to be executed on capital accounts are disclosed in each case above Rs. 5 lacs.

1.11 Taxes on Income

(a) Current Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the

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reporting date. Current tax relating to items recognized out side the P&L are recognized either in Other Comprehensive Income or Other Equity.

(b) Deferred Tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes considering the tax rate and tax laws that have been enacted or substantively enacted as on the reporting date. Deferred Tax Asset is recognized when it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legal right exists to set off the same.

1.12 **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash at bank in Current as well as Escrow account held by the company, cash in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.13 **Segment Reporting**

Presently the company has only one operating and reporting segment i.e. City Gas Distribution Network which is based on the information reported to the chief operating decision maker (CODM) in accordance with the requirements of Indian Accounting Standard 108 – "Operating Segment Reporting", notified under the Companies (Indian Accounting Standards) Rules,2015.

1.14 **Earnings Per Share**

Basic earnings per equity share are computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

1.15 **Leases**

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

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(a) Company as a Lessee (Assets taken on lease)

(i) Identifying a lease

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

(ii) Initial Recognition of Right of use asset (ROU)

The Company recognizes a ROU asset at the lease commencement date (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

(iii) Subsequent measurement of Right of use asset (ROU)

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

(iv) Initial recognition of lease liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (Including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid/payable under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

(v) Subsequent measurement of lease liability

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

vi) Short-term leases and leases of low-value assets

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

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basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

(b) Company as a Lessor (Assets given on lease)

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the lease term.
Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables and finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(c) Lease Land

Land having lease term of 70 years and above are accounted for as finance leases which are recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land having lease term of below 70 years are treated as operating leases.

(d) Estimates & Assumptions

(i) Determination of discount rate as a lessee

Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. Company estimates its incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment using observable available inputs (such as market interest rates).

1.16 Liquidated Damages / Price Reduction Schedule

Amount recovered towards Liquidated Damages / Price Reduction Schedule are adjusted / appropriated as and when the matter is settled.

1.17 Cash Flow Statement

Statement of cash flow is prepared in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

1.18 Fair Value Measurement

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair

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

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

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

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

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

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

1.19 Financial Instruments

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

(a) Financial Assets

(i) Classification

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

(ii) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Subsequent measurement

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

- Financial assets carried at amortised cost

A financial asset other than derivatives and specific investments, 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

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contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through other comprehensive income

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

- Financial assets at fair value through Statement of Profit and Loss

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

(iv) Derecognition

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

(v) Impairment of other financial assets

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

(b) Financial Liabilities

(i) Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value.

(ii) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(iii) Subsequent measurement

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

- Financial assets carried at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- Financial liabilities at fair value through Statement of Profit & Loss

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(c) Offsetting of financial instruments

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

1.20 **Current Versus Non-Current**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification as below.

(a) An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
(ii) Held primarily for the purpose of trading
(iii) Expected to be realised within twelve months after the reporting period, or
(iv) Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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(b) A liability is treated as current when:

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

All other liabilities are classified as non-current.

1.21 **Recent accounting pronouncements - Standards issued but not yet effective:**

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company has reviewed the new pronouncements based on its evaluation has determined that it does not have any significant impact in its financial statements.

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1 B Significant Accounting Judgements, Estimates and Assumptions

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

In particular, the Company has identified the areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

1 Judgements

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

1.1 Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Revenue and Profit Before Tax. The materiality limits are reviewed from time to time.

1.2 Contingencies

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

2. Estimates and assumptions

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

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2.1 Impairment of non - financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

2.2 Fair value measurement of financial instruments

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

2.3 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.4 Defined benefit plans

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

2.5 Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

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BENGAL GAS COMPANY LIMITED
(A Subsidiary of GAIL (India) Ltd.)
Notes forming part of the Financial Statements for the year ended 31st March 2026

2. Property, Plant & Equipment

Property, Plant & Equipment for the year ended 31st March 2026 (Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2025	Additions during the year	Sale / disposals during the year	As at 31st March 2026	As at 01st April 2025	For the year	Sale / disposals during the year	As at 31st March 2026	As at 31st March 2026
Land - Freehold	2,072.40	-	-	2,072.40	-	-	-	-	2,072.40
Building- Office	257.71	-	-	257.71	0.02	8.16	-	8.18	249.53
Plant and Machinery	9,078.88	15,594.23	-	24,673.11	471.82	501.41	-	973.23	23,699.88
Furniture & Fixture	207.33	10.57	-	217.90	55.13	20.33	-	75.46	142.44
Computers & Peripherals	102.23	16.61	-	118.84	81.57	15.53	-	97.10	21.74
Office Equipments	66.29	6.69	-	72.98	16.02	7.54	-	23.56	49.42
	11,784.84	**15,628.10**	**-**	**27,412.94**	**624.56**	**552.97**	**-**	**1,177.53**	**26,235.41**

Property, Plant & Equipment for the year ended 31st March 2025 (Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2024	Additions during the year	Sale / disposals during the year	As at 31st March 2025	As at 01st April 2024	For the year	Sale / disposals during the year	As at 31st March 2025	As at 31st March 2025
Land - Freehold	2,059.72	12.69	-	2,072.40	-	-	-	-	2,072.40
Building- Office	-	257.71	-	257.71	-	0.02	-	0.02	257.69
Plant and Machinery	5,491.12	3,587.76	-	9,078.88	225.02	246.81	-	471.82	8,607.06
Furniture & Fixture	206.80	0.54	-	207.33	35.46	19.67	-	55.13	152.20
Computers & Peripherals	100.54	1.68	-	102.23	63.23	18.29	-	81.52	20.71
Office Equipments	45.68	20.60	-	66.29	9.96	6.10	-	16.07	50.22
	7,903.86	**3,880.98**	**-**	**11,784.84**	**333.67**	**290.89**	**-**	**624.56**	**11,160.28**

2A. Intangible Assets for the year ended 31st March 2026 (Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2025	Additions during the year	Sale / disposals during the year	As at 31st March 2026	As at 01st April 2025	For the year	Sale / disposals during the year	As at 31st March 2026	As at 31st March 2026
Intangible Assets									
Software/Licences	38.37	290.71	-	329.08	0.58	194.06	-	194.64	134.45
ROU - Land	2,063.87	415.48	57.72	2,421.63	-	-	-	-	2,421.63
	2,102.24	**706.19**	**57.72**	**2,750.71**	**0.58**	**194.06**	**-**	**194.64**	**2,556.08**

2A. Intangible Assets for the year ended 31st March 2025 (Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2024	Additions during the year	Sale / disposals during the year	As at 31st March 2025	As at 01st April 2024	For the year	Sale / disposals during the year	As at 31st March 2025	As at 31st March 2025
Intangible Assets									
Software	0.61	37.76	-	38.37	0.58	0.00	-	0.58	37.79
ROU - Land	1,760.21	303.66	-	2,063.87	-	-	-	-	2,063.87
	1,760.82	**341.42**	**-**	**2,102.24**	**0.58**	**0.00**	**-**	**0.58**	**2,101.66**

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BENGAL GAS COMPANY LIMITED
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2B. Right to Use Assets for the year ended 31st March 2026

(Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2025	Additions during the year	Sale / disposals during the year	As at 31st March 2026	As at 01st April 2025	For the year	Sale / disposals during the year	As at 31st March 2026	As at 31st March 2026
ROU Assets									
Land - Leasehold	3,740.52	2,530.32	-	6,270.84	308.26	135.17	-	443.43	5,827.41
Plant & Machinery - Leasehold	-	918.51	-	918.51	-	84.70	-	84.70	833.81
Building - Leasehold	212.71	-	41.97	170.74	74.27	59.64	35.84	98.07	72.67
Vehicle - Leasehold	2,268.44	723.46	-	2,991.89	37.81	516.82	-	554.63	2,437.26
	6,221.67	4,172.29	41.97	10,351.98	420.34	796.33	35.84	1,180.83	9,171.15

2B. Right to Use Assets for the year ended 31st March 2025

(Rs. in Lakh)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01st April 2024	Additions during the year	Sale / disposals during the year	As at 31st March 2025	As at 01st April 2024	For the year	Sale / disposals during the year	As at 31st March 2025	As at 31st March 2025
ROU Assets									
Land - Leasehold	2,448.43	1,292.09	-	3,740.52	179.80	128.46	-	308.26	3,432.26
Building - Leasehold	164.65	170.74	122.68	212.71	126.89	70.05	122.68	74.27	138.44
Vehicle - Leasehold	-	2,268.43	-	2,268.44	-	37.81	-	37.81	2,230.63
	2,613.08	3,731.26	122.68	6,221.67	306.70	236.32	122.68	420.34	5,801.33

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Notes forming part of the Financial Statements for the year ended 31st March 2026

3. Capital Work In Progress

Capital Work In Progress for the year Ended 31st March 2026

(Rs. in Lakh)

	Gross Block					Provisions			Net Block
	As at 01st April 2025	Additions/ Adjustments during the year	Retirement/ Transfer	Capitalisation during the year	As at 31st March 2026	As at 01st April 2025	For the year	As at 31st March 2026	As at 31st March 2026
Tangible Assets									
Construction of City Gas Distribution Network	31,565.07	17,573.22	-	10,403.36	38,734.93	-	-	-	38,734.93
Capital Stores including Material in Transit	41,837.54	521.57	1,018.65	5,130.23	36,210.23	-	25.54	25.54	36,184.69
	73,402.61	18,094.79	1,018.65	15,533.59	74,945.16	-	25.54	25.54	74,919.62
Intangible Assets	227.25	113.71	-	290.71	50.25	177.00	(177.00)	-	50.25
	227.25	113.71	-	290.71	50.25	177.00	(177.00)	-	50.25
	73,629.86	**18,208.50**	**1,018.65**	**15,824.30**	**74,995.41**	**177.00**	**(151.46)**	**25.54**	**74,969.87**

Capital Work In Progress for the year Ended 31st March 2025

(Rs. in Lakh)

	Gross Block					Provisions			Net Block
	As at 01st April 2024	Additions/ Adjustments during the year	Retirement/ Transfer	Capitalisation during the year	As at 31st March 2025	As at 01st April 2024	For the year	As at 31st March 2025	As at 31st March 2025
Tangible Assets									
Construction of City Gas Distribution Network	21,663.59	11,462.48	-	1,561.00	31,565.07	-	-	-	31,565.07
Capital Stores including Material in Transit	44,279.73	732.76	893.84	2,281.11	41,837.54	-	-	-	41,837.54
	65,943.32	12,195.24	893.84	3,842.11	73,402.61	-	-	-	73,402.61
Intangible Assets	331.85	-	66.84	37.76	227.25	-	177.00	177.00	50.25
	331.85	-	66.84	37.76	227.25	-	177.00	177.00	50.25
	66,275.17	**12,195.24**	**960.68**	**3,879.87**	**73,629.86**	-	**177.00**	**177.00**	**73,452.86**

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BENGAL GAS COMPANY LIMITED

(A Subsidiary of GAIL (India) Ltd.)

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Capital Work in Progress ageing Schedule (Current Year 2025-26) (Rs. in Lakh)

	Amount in Capital Work In Progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Gross Block (Project in Progress)	18,094.79	12,195.24	10,022.62	34,632.51	74,945.16
Less: Provisions	-	-	-	25.54	25.54
Net Block (Project In Progress)	18,094.79	12,195.24	10,022.62	34,606.97	74,919.61
Project temporarily suspended					

Capital Work in Progress ageing Schedule (Previous Year 2024-25) (Rs. in Lakh)

	Amount in Capital Work In Progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Net Block (Project In Progress)	12,195.24	10,022.62	34,262.08	16,922.67	73,402.61
Project temporarily suspended					

Intangible Asset under Development ageing Schedule (Current Year 2025-26) (Rs. in Lakh)

	Amount in Capital Work In Progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Net Block (Project in Progress)	-	-	50.25		50.25
Project temporarily suspended					

Intangible Asset under Development ageing Schedule (Previous Year 2024-25) (Rs. in Lakh)

	Amount in Capital Work In Progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Gross Block (Project in Progress)	-	55.14	59.51	112.60	227.25
Less: Provisions					177.00
Net Block (Project In Progress)					50.25
Project temporarily suspended	-	-	-	-	-

There is no work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan, Completion shedule as at 31st March 2026 and as at 31st March 2025.

Capital Work In Progress lying for more than 3 Years is carried over in books and there is no impairment of the same. The same will be capitalised based on the commissioning of the pipeline network. Further, there is no change in carrying amount enviaged due to change in technology as on 31st March 2026.

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BENGAL GAS COMPANY LIMITED
(A Subsidiary of GAIL (India) Ltd.)
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(Rs.in Lakh)

	Particulars	As at 31st March 2026	As at 31st March 2025
4	**Deferred Tax Assets (Net)**		
	Deferred Tax Asset (Refer Note 40)	1,746.83	1,352.73
		1,746.83	**1,352.73**
5	**Other Financial Assets- Non Current**		
	Security Deposit (Considered Good - Unsecured)	99.35	37.88
		99.35	**37.88**
6	**Other Non-Current Assets**		
	Capital Advances		
	- Hooking Up Charges (Gail (India) Ltd)	-	885.00
	- Advance for Land	197.54	550.51
	Prepaid Expenses	1.80	1.58
	Other Advances	6.67	-
		206.01	**1,437.09**
7	**Inventories**		
	Stock in Trade		
	Compressed Natural Gas (CNG)	20.56	18.98
	Natural Gas	27.02	-
		47.58	**18.98**
8	**Trade Receivables**		
	Trade Receivables - Considered Good		
	From Others	1,539.64	400.12
	Less Provision for Bad Debt	4.04	4.04
		1,535.60	**396.08**

Trade Receivable ageing schedule (Current Year 2025-26)

(Rs.in Lakh)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivable - Considered good	1,237.81	297.79	-	4.04	-	1,539.64
(ii) Undisputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivable- Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivable- Considered doubtful	-	-	-	-	-	-
Sub Total	1,237.81	297.79	-	4.04	-	1,539.64
Less: Provision for Doubtful Debts						4.04
Total	1,237.81	297.79	-	4.04	-	1,535.60

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BENGAL GAS COMPANY LIMITED

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Notes forming part of the Financial Statements for the year ended 31st March 2026

(Rs.in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025

Trade Receivable ageing schedule (Previous Year 2024-25) (Rs.in Lakh)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 Months - 1 Year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivable - Considered good	396.08		4.04			400.12
(ii) Undisputed Trade Receivable- Considered doubtful						
(iii) Disputed Trade Receivable- Considered good						
(iv) Disputed Trade Receivable- Considered doubtful						
Sub Total	396.08	-	4.04	-	-	400.12
Less: Provision for Doubtful Debts						(4.04)
Total	396.08		4.04			396.08

9 **Cash and Cash Equivalents**

Balances with banks		
- In current accounts	286.06	530.22
-Cash In Hand	5.36	6.29
- Fixed Deposit with original Maturity less than three months	2,576.90	16,760.68
	2,868.32	**17,297.19**

10 **Bank Balance other than Cash and Cash Equivalents**

Fixed Deposits with original maturity More than three months	20,250.00	1,800.00
Other Bank Balances	324.30	2,916.56
[Includes Fixed Deposits of 324.30 Lakhs (Previous Year : Rs. 2890.45 Lakhs) Under Bank Lien against Bank Guarantee]		
Shortage/(Excess) Debits and Credit	(49.27)	-
	20,525.03	**4,716.56**

11 **Other Financial Assets- Current**

Security Deposits	-	28.87
(Considered Good - Unsecured)		
Interest Accrued but not due	40.61	170.27
Receivable from Related Party		
- Gail (India) Ltd	287.50	-
	328.11	**199.14**

12 **Current Tax Asset (Net)**

Tax Deducted at Source Receivable	131.69	82.48
	131.69	**82.48**

13 **Other Current Assets**

Pre - Paid Expenses	30.86	66.88
Other Advances	0.10	(0.00)
(Unsecured, Considered Good)		
	30.96	**66.88**

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BENGAL GAS COMPANY LIMITED

(A Subsidiary of GAIL (India) Ltd.)

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(Rs.in Lakh)

	Particulars	As at 31st March 2026	As at 31st March 2025
14	**Equity Share Capital**		
	Authorised		
	2,00,00,00,000 (Previous Year : 2,00,00,00,000) Equity shares of Rs.10 each	2,00,000.00	2,00,000.00
		2,00,000.00	**2,00,000.00**
	Issued, Subscribed & Fully Paid up		
	1,03,87,40,000 (Previous Year : 91,23,60,000) Equity shares of Rs.10 each fully paid up in Cash	1,03,874.00	91,236.00
		1,03,874.00	**91,236.00**

(a) **Reconciliation of no. of Shares and amount outstanding at the end of the reporting period**

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025	
	Quantity	(Rs. in Lakh)	Quantity	(Rs. in Lakh)
At beginning of the year	91,23,60,000	91,236.00	74,58,80,000	74,588.00
Equity Shares Issued during the year	12,63,80,000	12,638.00	16,64,80,000	16,648.00
Balance at the end of the year	1,03,87,40,000	1,03,874.00	91,23,60,000	91,236.00

(b) **Terms and rights attached to the equity shares**

The Company has only one class of Equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Holders of the equity shares are entitled to receive dividends as declared from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all prefrential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) **Shareholders holding more than 5 % shares in the company**

		As at 31st March 2026		As at 31st March 2025	
Sl. No.	Name of Shareholder	Numbers	Percentage of Holding	Numbers	Percentage of Holding
1	GAIL (India) Ltd.	91,54,50,000	88.13%	80,40,70,000	88.13%
2	Greater Calcutta Gas Supply Corporation Ltd.	12,32,90,000	11.87%	10,82,90,000	11.87%

(d) **Shareholding of Promoters (Current Year 2025-26)**

		As at 31st March 2026		
Sl. No.	Promoter Name	Numbers	Percentage of Total Shares	% change during the year
1	GAIL (India) Ltd.	91,54,50,000	88.13%	13.85%
2	Greater Calcutta Gas Supply Corporation Ltd.	12,32,90,000	11.87%	13.85%

Shareholding of Promoters (Previous Year 2024-25)

		As at 31st March 2025		
Sl. No.	Promoter Name	Numbers	Percentage of Total Shares	% change during the year
1	GAIL (India) Ltd.	80,40,70,000	88.13%	19.93%
2	Greater Calcutta Gas Supply Corporation Ltd.	10,82,90,000	11.87%	43.53%

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Notes forming part of the Financial Statements for the year ended 31st March 2026

(Rs.in Lakh)

	Particulars	As at 31st March 2026	As at 31st March 2025
15	**Other Equity**		
	Retained Earnings		
	Opening Balance of Profit / (Loss)	(3,926.40)	(3,034.43)
	Profit / (Loss) for the period	(1,105.85)	(890.01)
	Share Issue Expenses	-	(1.97)
		(5,032.25)	(3,926.40)
		(5,032.25)	**(3,926.40)**
16	**Borrowings - Non Current**		
	Secured Loan:		
	External Commercial Brrowing - Gail Global (IFSC) Limited	29,000.00	-
	(One time Bullet repayment in 7 years 3 Months from the date of drawdown of the loan, the repayment date shall be 27th April 2033. The loan carries a floating rate of interest linked to FBIL 3 months T- Bill + 2.40%)		
	(First Hypothecation charge on all Land, all moveable and immovable assets of the Project, all the current assets, book debts bank accounts, receivables, goodwill, cash flows, rights, titles, interest, benifits , claims or demand (both present & future) of the borrower which are lying or installed or to be brought into or any of the premises, warehouses, stockyards and godowns of the Borrower or any of the Borrower's agents.)		
	Rupee Term Loan - Punjab National Bank	-	23,543.05
	(Repayable in 8 years after expiry of moratorium and repayment begins from 31st March 2028. The loan carries a floating rate of interest linked to SBI 6 month MCLR + 0.51%)		
	(First Hypothecation charge on all Land & all assets of the Project (both present & future) of the borrower which are lying or installed or to be brought into or any of the premises, warehouses, stockyards and godowns of the Borrower or any of the Borrower's agents.)		
		29,000.00	**23,543.05**
17	**Lease Liabilities (Non Current)**		
	Lease Liablities	2,245.43	2,012.67
		2,245.43	**2,012.67**
18	**Provisions (Non Current)**		
	Provision for Probable obligations	9.37	-
		9.37	**-**
19	**Lease Liabilities (Current)**		
	Lease Liablities	635.41	441.07
		635.41	**441.07**

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BENGAL GAS COMPANY LIMITED

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(Rs.in Lakh)

Particulars		As at 31st March 2026		As at 31st March 2025
20 Trade Payables				
Trade Payables to				
- Due of Micro and Small Enterprises		496.95		52.99
- Other than Micro and Small Enterprises				
- For Gas	79.63		78.25	
- For Expenses	478.66		323.89	
Trade payable to Related Parties :-				
- GAIL (India) Ltd				
- For Gas	329.06	887.35	178.18	580.32
		1,384.30		**633.31**

Trade Payable ageing schedule (Current Year 2025-26)

(Rs.in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(I) Due of Micro and Small Enterprises	496.95	-		-	496.95
(II) Other than Micro and Small Enterprises	887.35	-		-	887.35
Total	1,384.30	-		-	1,384.30

Trade Payable ageing schedule (Previous Year 2024-25)

(Rs.in Lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(I) Due of Micro and Small Enterprises	52.99	-	-	-	52.99
(II) Other than Micro and Small Enterprises	580.32	-	-	-	580.32
Total	633.31	-	-	-	633.31

Particulars	As at 31st March 2026	As at 31st March 2025
21 Other Financial Liabilities		
From Related Parties :-		
- GAIL (India) Ltd		
- Related to Employee Cost	97.42	70.69
- Related to Hookup	11.95	-
- Greater Calcutta Gas Supply Corporation Ltd		
- Related to Employee Cost	5.49	3.17
Sundry Creditors for Capital Goods	5,867.07	2,456.44
Security Deposits	532.00	270.95
Retention Money from Contractors	1,520.57	1,236.94
	8,034.50	**4,040.19**
22 Other Current Liabilities		
Statutory Liabilities	291.85	141.25
Gratuity Payable	2.95	-
	294.80	**141.25**
23 Provisions (Current)		
Provision for Probable obligations	6.44	-
	6.44	-

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Bengal Gas Company Limited
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Notes forming part of the Financial Statements for the year ended 31st March 2026

(Rs.in Lakh)

	Particulars		For the year Ended 31st March 2026		For the year Ended 31st March 2025
24	**Revenue from Operations**				
	Sale of Products				
	- Compressed Natural Gas		10,574.93		5,337.11
	- Domestic Piped Natural Gas		28.09		17.43
	Sale of Service				
	- DPNG Registeration Fee		1.21		1.20
	Other Operating Income		0.09		0.02
			10,604.32		**5,355.76**
25	**Other Income**				
	Interest Income		1,181.92		708.82
	Other Misc Income		228.48		205.71
			1,410.40		**914.53**
26	**Purchase of Stock In Trade**				
	Purchase of Natural Gas		6,487.01		2,999.65
	Gas Compression Service		1,260.21		777.66
	Transportation of Gas		363.81		620.77
			8,111.03		**4,398.08**
27	**Changes in Inventories of Stock in Trade**				
	Opening Stock of Stock in Trade				
	Compressed Natural Gas (CNG)		18.98		12.81
	Natural Gas		-		-
	Closing Stock of Stock in Trade				
	Compressed Natural Gas (CNG)		20.56		18.98
	Natural Gas		27.02		-
	Decrease / (Increase) in Stock		**(28.60)**		**(6.17)**
28	**Excise Duty**				
	Excise Duty		1,461.66		743.32
			1,461.66		**743.32**
29	**Employee Benefit Expenses**				
	Fixed Term Employment Expenses	175.86		173.04	
	Contribution to Provident and Other Funds	22.93		-	
	Less: Trasferred to Incidental Expenditure during construction	107.58	91.21	97.00	76.04
			91.21		**76.04**

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(Rs.in Lakh)

Particulars		For the year Ended 31st March 2026		For the year Ended 31st March 2025
30 Finance Cost				
Interest on Lease Liability		236.31		30.31
Interest on Term Loan	2,564.21		1,768.83	
Less: Trasferred to Incidental Expenditure during construction	2,564.21	-	1,768.83	-
		236.31		**30.31**
31 Depreciation and Amortisation Expenses				
Depreciation	1,543.36		527.21	
Less: Trasferred to Incidental Expenditure during construction	149.74	1,393.62	128.46	398.75
		1,393.62		**398.75**
32 Other Expenses				
Advertisement Expenses		4.58		2.49
Annual Software Renewal		6.15		14.68
Operation and Maintenance Services		736.68		540.73
Safety Health Environment Services		26.04		25.18
Forecourt Management Service		88.57		55.49
CNG Station Facility Charges		92.64		42.43
Commission Expenses		33.60		9.99
Gas used as fuel - Internal Consumption		26.64		-
Bank Charge		3.07		2.05
Deputation & Secondment Expenses		1,062.66		863.09
Contractual Manpower		290.54		395.70
Insurance Expesnes		50.42		5.37
Statutory Audit Fees & Limited Review Fees		2.66		2.36
Internal Audit Fees		1.13		1.77
Tax Audit Fees		0.30		0.24
Secretarial Audit Fees		0.17		0.60
Meeting Expenses		16.65		13.13
Rates & Taxes		9.99		5.87
Electricity Charges		220.44		115.42
Provision for Loss by Fire		199.94		-
Office Rent		1.59		9.13
Printing & Stationery		8.26		9.18
Professional Fees		15.18		14.96
Retainership Expenses		22.30		19.82
Housekeeping & Pantry Expenses		23.98		25.12
Repair and Maintanance		16.82		4.13
Security Charges		26.40		56.14
Fee & other Charges		19.98		23.08
Telephone and Internet Expenses		4.57		3.97
Vehicle Hire Charges		118.77		181.17
Travelling Expenses		14.63		25.68
Transfering Cost		29.99		-
Marketing Expenses		-		1.61
Computer Accessories & Maintenance		-		0.10
Provision for CWIP		-		169.44
PC Hire Charges		-		1.25
GIS Software Expense		-		66.08
Miscellaneous Expenses		46.58		42.40
		3,221.92		**2,749.84**

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(Rs.in Lakh)

Particulars	For the year Ended 31st March 2026	For the year Ended 31st March 2025
Less: Trasferred to Incidental Expenditure during construction		
Deputation & Secondment Expenses	615.90	357.05
Contractual Manpower	239.67	340.56
Security Charges	14.52	40.57
Vehicle Hire Charges	82.56	151.34
Travelling Expenses	8.04	5.23
Transfering Cost	11.78	-
	2,249.45	**1,855.09**

32.1 Payment to Auditors

Particulars	For the year Ended 31st March 2026	For the year Ended 31st March 2025
Statutory Audit Fees	1.59	1.48
Tax Audit Fee	0.30	0.24
Other Services (for Limited Review, Issuing Certificates etc)	1.18	0.99
	3.07	**2.71**

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33. Disclosure under Ind AS 19 on Employee Benefits

Defined Benefit Plan

a. Provident Fund:

The Company has paid a contribution of Rs. 4.17 Lakhs (Previous Year: 4.23 Lakhs) to the regulatory authorities at predetermined fixed percentage of eligible employees salary and charged the same to Statement of Profit and Loss/CWIP.

b. Gratuity

Each employee rendering continuous service of 1 years or more is entitled to receive gratuity amount based on completed tenure of service at the time of separation from the Company as per the Code of Social Security 2020 w.e.f from 21st November 2025. The provision for payment of gratuity of Rs. 18.77 Lakhs (Previous Year: NIL) has been made as per the actuarial valuation of all the active Fixed Term Employees (FTE) w.e.f from 21st November 2025 and charged the same to Statement of Profit and Loss. The actuarial valuation considers the estimates of future salary increases, inflation, seniority, promotion and other relevant factors. The management has relied on the overall actuarial valuation conducted by the actuary. The company does not hold any investment with respect to future/present obligation of gratuity payments.

Further, the employees in various capacities are also deputed in the company by the Holding/Associate companies and the Salary and Allowances payment of employees deputed in company are being paid by their respective Holding/Associate companies and accounted for through debit notes / advices / invoices raised. The provisions in respect of employees benefits and disclosures requirements in terms of IND AS 19 has not been provided for the deputed employees in accounts as the same has been complied by the Holding/Associate Companies.

34. Contingent Liabilities/Assets and Commitments

I. Contingent Liabilities

Claims which may likely arise against the Company not acknowledged as debts:

The company has given a performance bank guarantee to Petroleum Natural Gas and Regulatory Board (PNGRB) of Rs. 13.10 Crores. There is Shortfall in achievement of MWP targets. The non-achievement of the MWP Targets may result in encashment of the Performance Bank Guarantee. However, no claim has been received from PNGRB so far.

II. Contingent Assets

Claims by the Company not acknowledged as Income / Asset:

A fire incident occurred at company facilities during the year, resulting in an assessed loss of Rs. 199.94 Lakhs. The provision with respect to the losses incurred by the company has been provided in the Statement of Profit and Loss.

The company has lodged a claim with the Insurance company for the above losses incurred, the acceptance of the claim has yet not been received from the Insurance company. Income in respect of the same shall be recognized as and when the acceptance of claim is received from the Insurance company.

Accordingly, no asset/income has been recognized in the financial statement for the said claim in the current year.

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II. Capital Commitment

The estimated amount of contracts (Inclusive of Taxes & Net of Advances) over Rs. 5 lacs amounting to Rs. 1246.64 Crores (Previous Year: Rs. 973.38 Crores) are remaining to be executed on capital accounts and not provided for.

35. The employees working in the various disciplines have been identified as working for (a) project activities and/or (b) operational activities. Therefore, the employee cost, deputation cost and all other expenses, pertaining to those employees engaged directly in project activities, are directly charged to project activities and booked under Capital Work in Progress. Whereas, employee cost, deputation cost and all other expenses pertaining to those employees which have been engaged in operational activities and both of the aforesaid activities, are charged to Statement of Profit & Loss and accounted for accordingly. Further the depreciation and finance cost on account of ROU Land has been charged to project activities till the asset is constructed on such land and is ready for its intended use. All other expenses are charged to the Statement of Profit & Loss.

36. **Land & Building:**

Title deeds of Land pending for execution in the name of the Company as on 31st March 2026 are as under:

Sl. No.	Particular line in the Balance Sheet	Description of item of Property	Gross Carrying Value (Rs. in Lakhs)	Title deeds held in name of (owner/ owners name)	Whether title deed holder is a promoter, director or relative of promoters/ director or employee of promoter/director	Property held since which date	Reason for not being held in name of Company (also indicate if in dispute)
1	Right Of Use Asset	Mohanpur	577.32	Kolkata Municipal Development Authority (KMDA)	No	Possession Receive on 25.06.2025.	Execution Date is not yet received from KMDA
2	Right Of Use Asset	Gurdaha	239.92	Kolkata Municipal Development Authority (KMDA)	No	Possession Receive on 15.07.2025.	Execution Date is not yet received from KMDA
3	Right Of Use Asset	Unsani	1,100.88	Kolkata Municipal Development Authority (KMDA)	No	Possession Receive on 11.11.2025.	Execution Date is not yet received from KMDA

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37. **Disclosure as per Ind AS 23 on 'Borrowing Cost':**

The borrowing costs capitalized in assets including the amount allocated towards Capital Work in Progress during the year were Rs. 2564.21 Lakhs (Previous Year: Rs. 1768.83 Lakhs).

38. **Related Party Disclosures**

As per Ind AS 24, the disclosures of transaction with related parties are given below

(a) List of Related Parties

(i) Key Management Personnel

Key Management Personnel Designation	**Name of Incumbent**
Chairman and Director	Sh. Sanjay Kumar
Director	Sh. Sanjay Agarwal (Upto 06th February 2026)
Director	Sh. Asim Prasad (w.e.f 06th February 2026)
Director	Sh. Atul Kumar Tripathi
Director	Sh. Supriya Halder (Upto 01st February 2026)
Director	Sh. Srinivasarangachariar Sampath (Upto 31st March 2026)
Director	Sh. Ashish Kumar Purwar (w.e.f 01st April 2026)
Director	Sh. Shaligram Mowar
Director	Sh. Biswanath Chakraborty (Upto 1st March 2026)
Director	Sh. Mukta Arya (w.e.f 1st March 2026)
Director	Smt. Sumita Bagchi
Chief Executive Officer	Sh. Anupam Mukhopadhyay
Chief Financial Officer	Sh. Arijit Banik
Company Secretary	Sh. Jeetender Kumar Ram

(ii) Entities having significant influence over the Company (Promoter Venturers)

Name of Company	**Relationship**
GAIL (India) Ltd.	Promoter and Holding company
Greater Calcutta Gas Supply Corporation Ltd.	Promoter Company
GAIL Gas Limited	Wholly Owned Subsidiary of Holding Company
Vadodara Gas Limited	Joint Venture of Holding Company
Tripura Natural Gas Company Limited	Subsidiary of Holding Company
Gail Global IFSC Limited	Wholly Owned Subsidiary of Holding Company

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(b) Transaction with Related Parties

(Rs. In Lakh)

Name of Related Party	For the year Ended 31st March 2026 Amount (Rs.)	For the year Ended 31st March 2025 Amount (Rs.)
GAIL (India) Ltd.		
(i) Issue of Share Capital	11,138.00	13,364.00
(ii) Services Received for – Deputation of Employees	1,036.81	827.91
(iii) Services Received for – Reimbursement of Expenses	28.98	12.05
(iv) Purchase of CBM and Transmission Services	6471.83	3149.89
(v) Sale of Store Items	678.45	1042.47
(vi) Hooking - Up Facility- Operating Charges	12.16	-
(vii) Hooking Up Charges	803.42	-
(viii) Amounts Payable	438.44	248.87
(ix) Amounts Receivable	287.50	
Gail Gas Limited		
(i) Sale of store Items	360.16	-
(ii) Amounts Receivable	-	-
Tripura Natural Gas Company Limited	-	-
(i) Sale of store Items	-	71.06
(ii) Amounts Receivable	-	-
Vadodra Gas Limited		
(i) Sale of Store Items	223.50	-
(ii) Amounts Receivable	-	-
Gail Global IFSC Limited		
(i) Secured Loan Taken	29,000	-
(ii) Interest on Loan	393.93	-
(iii) Loan Payable	29,000	-
(iv) Interest Payable	354.54	-
Greater Calcutta Gas Supply Corporation Ltd.		
(i) Issue of Share Capital	1,500	3,284.00
(ii) Services Received for – Deputation of Employees	21.81	20.97
(iii) Amounts Payable	5.49	5.17
Sh. Jeetender Kumar Ram		
(i) Remuneration	10.07	9.98

(c) Terms and Conditions of transactions with related parties

Transactions with related parties are made on normal commercial terms and conditions and at arm's length price.

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39. **Earnings Per Share**

Basic and diluted earnings / (loss) per share is calculated by dividing the profit / (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding at the end of the year

(Rs. In Lakh)

Particulars	For the Year Ended 31st March 2026	For the Year Ended 31st March 2025
Profit / (Loss) after tax attributable to equity shareholders	(1,105.85)	(890.01)
Weighted average number of equity shares outstanding at the year end	9,487.16	7,818.76
Nominal Value per Share (In Rs.)	10.00	10.00
Basic and Diluted earnings / (loss) per share (In Rs.)	(0.12)	(0.11)

40. **Deferred Tax**

(a) Deferred Tax relates to the following:

(Rs. In Lakh)

Particulars	Balance Sheet		Profit & Loss Statement	
	As at 31st March 2026	As at 31st March 2025	For the Year Ended 31st March 2026	For the Year Ended 31st March 2025
Losses incurred by the company carried forward	2311.94	1693.37	618.57	513.57
Accelerated depreciation for tax purposes	(618.15)	(385.75)	(232.40)	(222.53)
Provision for Doubtful Debts	1.05	1.05	-	0.03
Provision for Loss by Fire	51.99	-	51.99	-
Provision for CWIP	-	44.05	(44.05)	44.05
Net Deferred Tax Assets	1,746.83	1352.72	394.11	335.12

(b) Reflected in the balance sheet as follows:

(Rs. In Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred Tax Assets	2364.98	1738.47
Deferred Tax Liabilities	(618.15)	(385.75)
Deferred tax Assets (Net)	1746.83	1,352.72

(c) Reconciliation of Deferred tax Assets (net):

(Rs. In Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance as on 1st April	1352.72	1017.61
Tax (income)/expense during the period recognised in profit or loss	394.11	335.12
Deferred tax Assets (Net)	1746.83	1,352.72

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(d) Balance Sheet

(Rs. In Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred tax Assets Net Deferred Tax Assets due to taxable temporary Differences	1746.83	1352.72
Total	1746.83	1,352.72

41. Financial instruments – Fair values Measurement

(a) Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As at 31st March 2026

(Rs. in Lakh)

Particulars	Carrying Value				Fair Value Measurement Using		
	FVTPL	FVOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Non – Current							
Other Financial Assets			99.35	99.35			
Current							
Trade Receivables	-	-	1535.60	1535.60	-	-	-
Cash and Cash Equivalents							
- Balances With Bank	-	-	286.06	286.06	-	-	-
- Cash In Hand	-	-	5.36	5.36			
- Deposits with original maturity of less than 3 months	-	-	2,576.90	2,576.90	-	-	-
Balances other than cash and cash equivalents	-	-	20,525.03	20,525.03	-	-	-
Other financial assets	-	-	328.11	328.11	-	-	-
Total	-	-	**25,356.43**	**25,356.43**	-	-	-
Financial liabilities							
Non – Current							
Long Term Borrowings - Floating			29,000.00	29,000.00			
Lease Liabilities	-	-	2,245.43	2,245.43	-	-	-
Current							
Lease Liabilities			635.41	635.41			
Trade Payables							
- Dues of MSME			496.95	496.95			

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Particulars	Carrying Value				Fair Value Measurement Using		
	FVTPL	FVOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
- Other than MSME	-	-	887.35	887.35	-	-	-
Other financial liabilities	-	-	8034.50	8034.50	-	-	-
Total	-	-	**41,299.65**	**41,299.65**	-	-	-

As at 31st March 2025

(Rs. in Lakh)

Particulars	Carrying Value				Fair Value Measurement Using		
	FVTPL	FVOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Non – Current							
Other Financial Assets			37.88	37.88			
Current							
Trade Receivables	-	-	396.08	396.08	-	-	-
Cash and Cash Equivalents							
- Balances With Bank	-	-	530.22	530.22	-	-	-
- Cash In Hand	-	-	6.29	6.29			
- Deposits with original maturity of less than 3 months	-	-	18,477.24	18,477.24	-	-	-
Balances other than cash and cash equivalents	-	-	3,000.00	3,000.00	-	-	-
Other financial assets	-	-	199.14	199.14	-	-	-
Total	-	-	**22,646.85**	**22,646.85**	-	-	-
Financial liabilities							
Non – Current							
Long Term Borrowings - Floating			23,543.05	23,543.05	-	-	-
Lease Liabilities	-	-	2,012.67	2,012.67	-	-	-
Current							
Lease Liabilities			441.07	441.07			
Trade Payables							
- Dues of MSME			52.99	52.99	-	-	-
- Other than MSME	-	-	580.32	580.32	-	-	-
Other financial liabilities	-	-	4,040.19	4,040.19	-	-	-
Total	-	-	**30,670.29**	**30,670.29**	-	-	-

Note:

i) The carrying cost of Interest-bearing Loans & Borrowings is approximately equal to their Fair Market Value.

ii) The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximate to the fair values, due to their short-term nature.

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42. Financial Risk Management

The company is exposed to a number of financial risks arising from natural business exposures as well as its use of financial instruments. This includes risks relating to commodity prices, interest rates, credit and liquidity.

(a) **Market Risk**

Market risk is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and commodity price risk. Financial instruments affected by market risk includes Loans, Borrowings and Deposits.

(i) Interest Rate Risk

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

(ii) Commodity Price Risk

The Company procures Natural Gas for marketing and its internal consumption on an on-going basis and is not exposed to the price risk to the extent it has contracted with the suppliers on back to back basis. However, the Company is exposed to the price risk on the volume which is not contracted on back to back basis.

(b) **Liquidity Risk**

Liquidity risk is a risk that suitable sources of funding for Company's business activities may not be available. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It also maintains adequate sources to finance its short term and long term fund requirements such as Fixed Deposits with short term maturity and long term borrowings.

(c) **Credit risk**

Credit risk is a risk that a customer or ship party to a financial instrument may fail to perform or pay the due amounts causing financial loss to the Company. It is considered as a part of the risk-reward balance of doing business and is considered on entering into any business contract to the extent to which the arrangement exposes the Company to credit risk. It may arises from Cash and Cash Equivalents, deposits with financial institutions and mainly from credit exposures to customers relating to outstanding receivables. Each segment is responsible for its own credit risk management and reporting.

(i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to customer credit risk management. Outstanding receivables from customers are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

(ii) Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's management in accordance with approved limits of its empanelled banks, for the purpose of investment of surplus funds. Investments of surplus funds are made only with empanelled Banks. Credit limits of all Banks are reviewed by the Management on regular basis.

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(d) **Capital Management**

Capital includes issued capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, or issue new shares. No changes were made in the objectives, policies or processes during the reporting year.

(e) **Risk management framework**

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the Management periodically to reflect changes in market conditions and the Company's activities.

43. **Confirmation of Assets & Liabilities**

Some balances of trade and other receivables, trade and other payables are subject to confirmation / reconciliation. Adjustment, if any, will be accounted for on confirmation / reconciliation of the same, which will not have a material impact. The component of capital work in progress is lying with the third party are subject to confirmation.

In the opinion of management, the value of assets, other than fixed assets and non-current investments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet. A customer (WBTC) is making significant delay in payment, however regular follow up is being made and the same will be collected in the normal business cycle.

44. **Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMEDAct, 2006")**

In some cases, the Company has received intimation from Micro and Small Enterprises regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006". As per practice, the payment to all suppliers has been made within 15 days of receipt of valid invoice

(Rs.in Lakhs)

Sl. No.	Particulars	2025–26	2024-25
1	The principal amount thereon remaining unpaid to any supplier as at the year end	496.95	52.98
2	The interest amount due thereon remaining unpaid to any supplier as at the year end	Nil	Nil
3	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
5	The amount of interest accrued and remaining unpaid at the year end; and	Nil	Nil

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Sl. No.	Particulars	2025–26	2024-25
6	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company.

45. **Company as Lessee (Disclosure as per Ind AS 116)**

a) Lease Liabilities

(i) Reconciliation of Lease Liabilities

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Balance	2453.75	83.67
Additions during the year	4008.98	2467.08
Deletions during the year	7.64	-
Accretion of interest	242.96	32.83
Foreign exchange loss on restatement of lease liabilities	-	-
Lease Liabilities paid during the year	3817.21	129.83
Excess Lease liabilities written Back	-	-
Closing Balance	2880.84	2453.74
Current	635.41	441.07
Non-current	2245.43	2012.67

(ii) Maturity Analysis of Lease Liabilities

As at 31st March 2026 (Rs.in lakhs)

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 years	Total
Lease Liabilities (Current)	162.90	472.51			635.41
Lease Liabilities (Non-Current)	-	-	2056.67	118.75	2245.43

As at 31st March 2025 (Rs.in lakhs)

Particulars	Less than 3 months	3 to 12 months	> 1 to 5 years	> 5 years	Total
Lease Liabilities (Current)	107.94	333.13	-	-	441.07
Lease Liabilities (Non-Current)	-	-	1942.22	70.45	2012.67

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(iii) Cash outflow for leases during the year

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Principal Portion of Lease Liability	3574.25	97.00
Interest Portion of Lease Liability	242.96	32.83
Expense relating to short-term leases	-	-
Expense relating to low value leases	-	-

b) Right of Use Assets

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Balance	7865.20	4,066.60
Add: Additions during the year	4587.76	4,034.93
Less: Deletions during the year	63.85	-
Less: Depreciation for the year	796.33	236.32
Closing Balance	11,592.78	7,865.20

c) Amount recognized in Statement of Profit & Loss

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation on right-of-use assets	646.59	261.95
Interest expenses on lease liabilities	236.31	30.31
Expenses relating to short-term leases		-
Expenses relating to low value assets leases	-	-
Variable lease payments	-	-

46. **Disclosure of Ratios**

The Ratios prescribed in Schedule – III of Companies Act, 2013 for the financial year 2025-26 and explanation regarding the major changes exceeding 25% from the preceding year is as per Annexure –I attached.

47. **Impairment of Assets- Ind AS 36 & Ind As 109**

In compliance of 'Ind AS-36-Impairment of Assets' and 'Ind AS 109 Financial Instruments', the Company carried out assessments of impairment in respect of Tangible and Intangible Capital Work In Progress, Plant and Machinery & Right of Use (RoU) for Pipelines as on 31st March 2026.

The Company conducted impairment study of Tangible and Intangible Capital Work In Progress, Plant and Machinery & RoUs for Pipelines in compliance to the provisions of Ind AS 36. There is no impairment loss found in respect of Tangible and Intangible Capital Work In Progress, Plant and Machinery, & RoUs.

48. **Wilful Defaulter**

The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender as on 31st March 2026 and 31st March 2025.

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49. **Benami Property**

The Company is not holding any Benami Property as on 31st March 2026 and 31st March 2025. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

50. **Borrowings Secured against Current Assets**

During the financial year ended 31st March 2026, the Company has not availed any borrowings from banks or financial institutions against security of current assets. Accordingly there is no requirement for filing quarterly return/statements of current assets by the Company with Banks or Financial Institutions.

51. **Registration of Charges or satisfaction with Registrar of Companies (ROC):**

During the financial year 2025-26, the Company has registered charges with ROC on or before the statutory date and there is no delay in registration.

52. Previous Year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For Abhijeet Dutt & Associates
Chartered Accountants
[Firm Registration No.:315049E]

Abhijeet Dutt & Associates Chartered Accountants Kolkata

Mainak Sen
Partner
[Membership No.: 067270]
UDIN: 26067270JTCWGM2814

For and on behalf of the Board

(Arijit Banik)
CFO
PAN - AFYPB3722R

(A. Mukhopadhyay)
CEO
PAN – AATPM9017G

(A. K. Tripathi)
Director
DIN- 08531893

(Sanjay Kumar)
Chairman
DIN - 08346704

Dated: 30th April 2026
Place: Kolkata

Bengal Gas Company Limited

Annexure - I annexed to Note No. 46 of the Notes on Accounts

Disclosure of Ratios as per Schedule III

Sl. No.	Particulars		2025-26	2024-25	Variation %	Explanation/Remarks for Major Change (exceeding 25%)
1	**Current Ratio**				-43.25%	The ratios mentioned has decreased considerably due to Increase in Short Term Fixed Deposits and Receivables of the company as compared to previous year resulting in net increase of Current Assets and considerable increase in Trade payables and Sundry Creditors for Capital Goods resulting in net increase of Current Liablities.
a)	Current Assets - Inventories + Financial Assets + Other Current Assets + Current Tax Assets	Current Assets	25,467.29	22,777.31		
b)	Current Liabilities - Lease Liabilities +Trade payables+ Other Financial Liabilities + Other Current Liabilities + Provisions	Current Liabilities	10,355.45	5,255.82		
	Current Ratio		**2.46**	**4.33**		
2	**Debt - Equity Ratio**				8.81%	-
a)	Debt - Borrowings	Debt	29,000.00	23,543.05		
b)	Equity - Equity Share Capital + Other Equity	Equity	98,841.75	87,309.60		
	Debt - Equity Ratio		**29%**	**27%**		
3	**Debt Service Coverage Ratio (DSCR)**				203.55%	The variation in the ratio is because the company has positive earning for debt service during the year compared to negative earing for debt service in the previous year and there is aincrease in interest and lease payment due to increase in borrowings and ROU assets taken on lease during the year.
a)	Earning for Debt Service - Net Profit after Tax + Non Cash Operating Expenses viz. Depreciation & other amortization + Interest + Other adjustment like loss on sale of fixed assets	Earning for Debt Service	547.02	(321.82)		
b)	Debt Service - Interest and Lease payments + Principal Repayment	Debt Service	3,112.58	1,896.15		
	Debt Service Coverage Ratio (DSCR)		**18%**	**-17%**		
4	**Return on Equity (ROE)**				-9.76%	-
a)	PAT - Profit after Taxes	PAT	(1,105.85)	(890.01)		
b)	Net Worth - Equity Share Capital + Other Equity	Net Worth	98,841.75	87,309.60		
	Return on Equity (ROE)		**-1.12%**	**-1.02%**		
5	**Inventory Turnover Ratio**				-11.24%	-
a)	COGS - Opening Stock + Purchase - Closing Stock	COGS	9,544.09	5,135.22		
b)	Average Inventory of Gas - (Opening inventory + Closing Inventory)/2	Average Inventory	33.28	15.89		
	Inventory Turnover Ratio		**286.77**	**323.10**		
6	**Trade Receivables Turnover Ratio**				-43.48%	The variation is due to considerable increase in sales during the year as compared to previous year and increase in receviables during the period due to delay in collection from debtors.
a)	Net Credit Sale - Sale of Gas	Sales	8,739.99	4,026.41		
b)	Average Receivables - (Opening Receivables + Closing Receivables)/2	Average Receivable	965.84	251.50		
	Trade Receivables Turnover Ratio		**9.05**	**16.01**		
7	**Trade Payable Turnover Ratio**				11.73%	-
a)	Net Credit Purchase - Purchase of Gas	Credit Gas Purchase	8,111.03	4,398.08		
b)	Average Trade Payables for Gas Purchase - (Opening Trade Payables + Closing Trade Payables)/2	Average Trade Payable	332.56	201.49		
	Trade Payable Turnover Ratio		**24.39**	**21.83**		
8	**Net Capital Turnover Ratio**				129.57%	The variation is due to considerable increase in sales during the year as compared to previous year and decrease in working capital during the year.
a)	Net Sales - Sale of Gas	Sales	10,604.32	5,355.76		
b)	Working Capital - Current Assets - Current Liabilities	Working Capital	15,111.84	17,521.49		
	Net Capital Turnover Ratio		**0.70**	**0.31**		
9	**Net Profit Ratio**				37.25%	The ratios has decreased due to considerable increase in sales during the year as compared to previous year
a)	Net Profit - Net Profit after Taxes	Net Profit	(1,105.85)	(890.01)		
b)	Turnover - Sales	Turnover	10,604.32	5,355.76		
	Net Profit Ratio		**-10.43%**	**-16.62%**		
10	**Return on Average Capital Employed: EBIT/Capital Employed (ROCE)**				8.29%	-
a)	EBIT- PBT +/(-) Exceptional Items + Net Finance Charges	EBIT	(1,263.65)	(1,194.82)		
b)	Capital Employed - Equity Share Capital + Other Equity+ Long Term Borrowings	Capital Employed	1,27,841.74	1,10,852.65		
	Return on Average Capital Employed: EBIT/Capital Employed (ROCE)		(0.01)	(0.01)		
11	**Return on Investment (ROI)**				-7.74%	-
a)	PAT - Profit After Tax	PAT	(1,105.85)	(890.01)		
b)	Capital Employed - Equity Share Capital + Other Equity+ Long Term Borrowings	Capital Employed	1,27,841.74	1,10,852.65		
	Return on Investment (ROI)		[illegible].87%	[illegible].80%		

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