



ANNUAL REPORT 2021-22

Maharashtra Natural Gas Limited

(A Joint Venture of GAIL and BPCL)

"Dedicated for Cleaner & Greener Environment"

Commitment
of Nature
Conservation...





COMPANY OVERVIEW

MNGL is a joint venture company, promoted by Maharatna PSUs i.e. GAIL (India) Limited (GAIL) & Bharat Petroleum Corporation Ltd.(BPCL), with Govt. of Maharashtra through MIDC and Indraprastha Gas Ltd (IGL), Delhi as their equity partners.



OUR HISTORY

Maharashtra Natural Gas Limited (MNGL) was incorporated in January 2006 to implement City Gas Distribution Project in Pune including Pimpri-Chinchwad for the supply of Compressed Natural Gas (CNG) to Automobiles and Piped Natural Gas (PNG) to Domestic, Commercial and Industrial consumers.



OUR MISSION

MNGL aims to become fastest growing City Gas Distribution Company in India with continuous improvement in all facets of work.



OUR PRODUCTS

- **Compressed Natural Gas:** for Transport Sector
- **Piped Natural Gas:**
- **Domestic** – for Households
- **Commercial** – for Hotels & Malls
- **Industrial** – for Industries



OUR OBJECTIVE

- To provide clean, environment friendly green fuel as an alternative to the conventional auto fuels like Petrol and Diesel and
- To provide safe, convenient and reliable piped natural gas to its customers in the domestic, commercial and industrial sectors.



LOCATIONS

Geographical Areas (GAs) being catered by MNGL





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CHAIRMAN'S MESSAGE

Shri Deepak Gupta
Chairman



Shareholders shall be proud to know that your company has set-up one of the prominent state-of-the-art LNG station in India at Pathardi, Nashik for a reliable supply of natural gas to its customers. It is unique station in India with all the streams of HP, MP, LP & CNG retail commissioned simultaneously.

Dear Shareholders,

Let me first convey my good wishes to all of you and hope you all are safe and in good health.

The past couple of years have been a period of intense action and reflection. We have seen a global pandemic, geopolitical tensions, supply chain disruptions and many other public and private disruptions. The pandemic tested us all severely. At MNGL, we responded with enthusiasm and demonstrated exceptional resilience in dealing with an unprecedented calamity. Even as the world experienced chaos and disruption, we delivered our highest annual growth in the FY 2021-22. We can say that Financial year 2021-22 was an outstanding year for the Company, our customers, our employees, and our shareholders.

The FY 2021-22 was the year of achievements as the Turnover for the year was Rs.1386 Cr. as against Rs.800 Cr in the FY 2020-21 marking highest of 73% growth over previous year, PAT for FY 2021-22 was Rs.333 Cr. as against Rs.173 Cr. in FY 2020-21 marking highest of 92% growth over previous year. The support of our shareholder has been consistently rewarded through regular dividends. Your Board of Directors is pleased to recommend the highest ever dividend of 100% which is Rs.10 per equity shares for the FY 2021-22. Shareholders shall be proud to know that this is the Eighth successive year for getting "NIL" report from the Comptroller & Auditor General of India which is a reflection of the accounting standards devoutly complied by your Company.

Your company has continued to expand and strengthen its network in existing licensing areas. Your Company has achieved its new height

in strengthening its CNG distribution infrastructure by escalating the number of CNG stations to 167 (includes 100 in Pune GA, 48 in Nashik GA, 08 in Sindhudurg GA and 11 in Ramanagara GA). This led to total compression capacity of more than 19 lacs kg per day. Your Company provided more than 1.53 lacs new PNG domestic connections. As on March 31, 2022, MNGL had more than 5.39 lacs domestic connections and 433 Commercial & 270 Industrial customers. Alongwith this, your company also increased its infrastructure of Steel pipeline to 384 KM and PE Pipeline to 1907 KM till the end of FY 2021-22.

In line with its objective, the Company is working on new strategic business opportunities as well. As one of the major problems faced by CGD entities is gas pipeline connectivity, the CGD entities are exploring viable technologies/modules in order to find quick and cost-effective solution, wherein natural gas can be brought to regions which are not connected by pipelines and can quickly start the gas distribution to residencies and fuelling stations. PNGRB has brought several changes in rules and regulations with regards to LNG transport, storage and CGD licensing applications which may boost utilisation of LNG and Which is helpful for the CGD operators to adopt the alternate options of LNG so as to satisfy their PNG commitment to households. Shareholders shall be proud to know that your company has set-up one of the prominent state-of-the-art LNG station in India at Pathardi, Nashik for a reliable supply of natural gas to its customers. It is unique station in India with all the streams of HP, MP, LP & CNG retail commissioned simultaneously. The stored LNG is converted into gaseous form and feed into three streams as per gas demand. Around 1,25,000 SCMD of natural gas can be supplied through this set-up.



The expansion of National Gas Grid has encouraged the use of natural gas as a fuel throughout the country. The Government of India intends to substantially expand the natural gas pipeline network in the coming years and the successive CGD bidding rounds has already brought considerable part of the population under the prospect of gas usage. In case of recently held 11th CGD Bidding Round of PNGRB, your company was successful in securing two new geographical areas namely Buldana, Nanded and Parbhani districts in state of Maharashtra and Nizamabad, Adilabad, Nirmal, Mancherial, Asifabad Kumurum Bheem and Kamareddy in the state of Telangana.

Your Company is exploring various business opportunities in the Production and Marketing of Compressed Bio Gas (CBG). As a part of the MoP&NG's initiative – SATAT (Sustainable Alternative towards Affordable Transportation) MNGL has invited Expression of Interest (EOI) from various CBG Producers for providing Marketing tie-up of CBG at the Retail Outlets of your Company.

This has led to the issuance of 27 'Letter of Intent (LoI)' to potential CBG producers by the end of FY 2021-22. It gives me pleasure to inform that MNGL is one of the successful CGD entities to commence CBG supply in Pune GA in the state of Maharashtra under 'SATAT' initiative of Govt. of India. CBG is sourced from M/s NobleExchange in Pune GA.

In February 2022, your Company was able to achieve the cumulative inch-kilometre Pipeline, CNG Stations & D-PNG Connections target for 3rd year as per PNGRB's minimum work program (MWP) for Ramanagara GA. Also, the cumulative CNG Stations MWP target for 3rd year was also successfully completed by your company in Nashik & Sindhudurg GA.

Over the years your company has built a safe and healthy working condition for its employees. A well-defined safety management system is in place comprising of HSE Policy and Safety Management System (SMS). SMS is comprising of Safety Aspects right from the design stage to Construction, Commissioning, Operation and Maintenance, SOPs, Safety Leadership and Culture building. A total of 620 trainings to 3,867 manpower was achieved during the financial year. This resulted into the 15.7 million-man hours of incident free achieved by your Company during the year under review.

MNGL has a customer centric approach and has been making continuous efforts to upgrade its services by leveraging technology across all its customer operations. An important development for streamlining Customer Relationship Management (CRM) operations was achieved through implementation of email tool management system which has enabled the systematic monitoring and tracking of complaints from our customers. During this year, the Company strengthened its CRM backed by IT applications which enabled MNGL to come up with a user-friendly website.

The Company gives due importance to its human resources and focuses on improving HR practices and processes for enhancing employee satisfaction through participation and engagement. We endeavored to maintain the Synergy of Work and celebrations through events such as Independence Day, Ganesh festival, Diwali, Navratri, Dussehra, Christmas, lunch arrangement on New Year Day, Republic Day etc. All these events were celebrated with full zeal.

Your company continues to focus on upliftment of communities within its operating areas. MNGL has continued to contribute and focus on Health, Education, Environment, and Empowerment through its various community outreach programs and projects under CSR Initiatives. In the FY 2021-22 MNGL not only took up the wide range of projects but also successfully reach to the different strata of the society and made a difference in the lives of more than 35,619 beneficiaries from deprived class of the society through various programs in the field of health & education.

With all this, before I conclude, I would like to place on record my sincere thanks to all our leaders, employees, business partners, customers, vendors, bankers and other stakeholders, for their continued support, unmatched dedication and unwavering loyalty towards the company. On behalf of the Board of Directors, I express sincere thanks to the Government of India, State governments of Maharashtra and Karnataka, Petroleum and Natural Gas Regulatory Board, all the departments/ authorities of the Central and State

governments, all the authorities and agencies of PMC, PCMC Cantonment Boards, our valued customers and all stakeholders in the value chain for their support to the Company. I would also like to place on record my heartfelt gratitude to the Ministry of Petroleum & Natural Gas for their invaluable guidance and constant support. I would like to thank each and every employee of MNGL for their hard work and dedication.

In addition, I want to thank all the Board members along with Shri Priyotosh Sharma, Shri S. Halder and Shri Amit Garg for their guidance and valuable contribution during their tenure as Board Members. Further, I am humbled by the immense confidence reposed by the investors in the MNGL management, which has given us the courage to spread our wings even wider. With your continued support and blessings, we would continue our journey and efforts towards value creation for all the stakeholders of the Company.

Thank you

Sd/-

Deepak Gupta

Chairman





BOARD OF DIRECTORS

Shri Deepak Gupta
 Shri Deepak Sawant
 Shri Sanjay Sharma
 Shri Anil Kumar P
 Shri Sanjay Kumar
 Shri Pawan Kumar
 Smt. Bageshree Manthalkar



BANKERS

Bank of Baroda
 State Bank of India
 HDFC Bank
 Axis Bank
 ICICI Bank
 IndusInd Bank



STATUTORY AUDITORS

M/s SUNSVG & ASSOCIATES
 Chartered Accountants
 C-18, Yashashree Apartment,
 Opp. To Nirmal Samruddhi,
 Surbhi Mangal Karyalaya Lane,
 Taware Colony, Satara Road,
 Pune - 411 009



COST AUDITORS

M/s Dhananjay V. Joshi & Associates,
 Cost Accountants
 "CMA Pride", Ground Floor, Plot No.6,
 S. No. 16/6, Erandawana Co. Op. Hsg. Soc.,
 Erandawana, Pune 411 004.



SECRETARIAL AUDITOR

M/s CS Rachana R. Kolte, PCS
 C-403, Kapil Akhila,
 Pan Card Club Road,
 Baner, Pune - 411 045



SHARE TRANSFER AGENT

UTI Infrastructure Technology and Services Ltd.
 Plot No.3, Sector 11, CBD Belapur,
 Navi Mumbai - 400614



CHIEF FINANCIAL OFFICER

Shri. Sarathy M. K.



COMPANY SECRETARY

Ms. Shreya Prabhudesai



REGISTERED OFFICE

Plot No. 27, Narveer Tanajiwadi,
 PMT Bus Depot Commercial Bldg.,
 1st Floor, Shivaji Nagar,
 Pune- 411005



CORPORATE OFFICE

2nd, 3rd & 4th floor Pride Purple Cornet,
 Baner Road, Baner, Pune – 411045





BOARD OF DIRECTORS



Shri Deepak Gupta
Chairman



Shri Deepak Sawant
Managing Director



Shri Sanjay Sharma
Director (Commercial)



Shri Anil Kumar P
Nominee Director - BPCL



Shri Sanjay Kumar
Nominee Director - IGL



Shri Pawan Kumar
Nominee Director - IGL

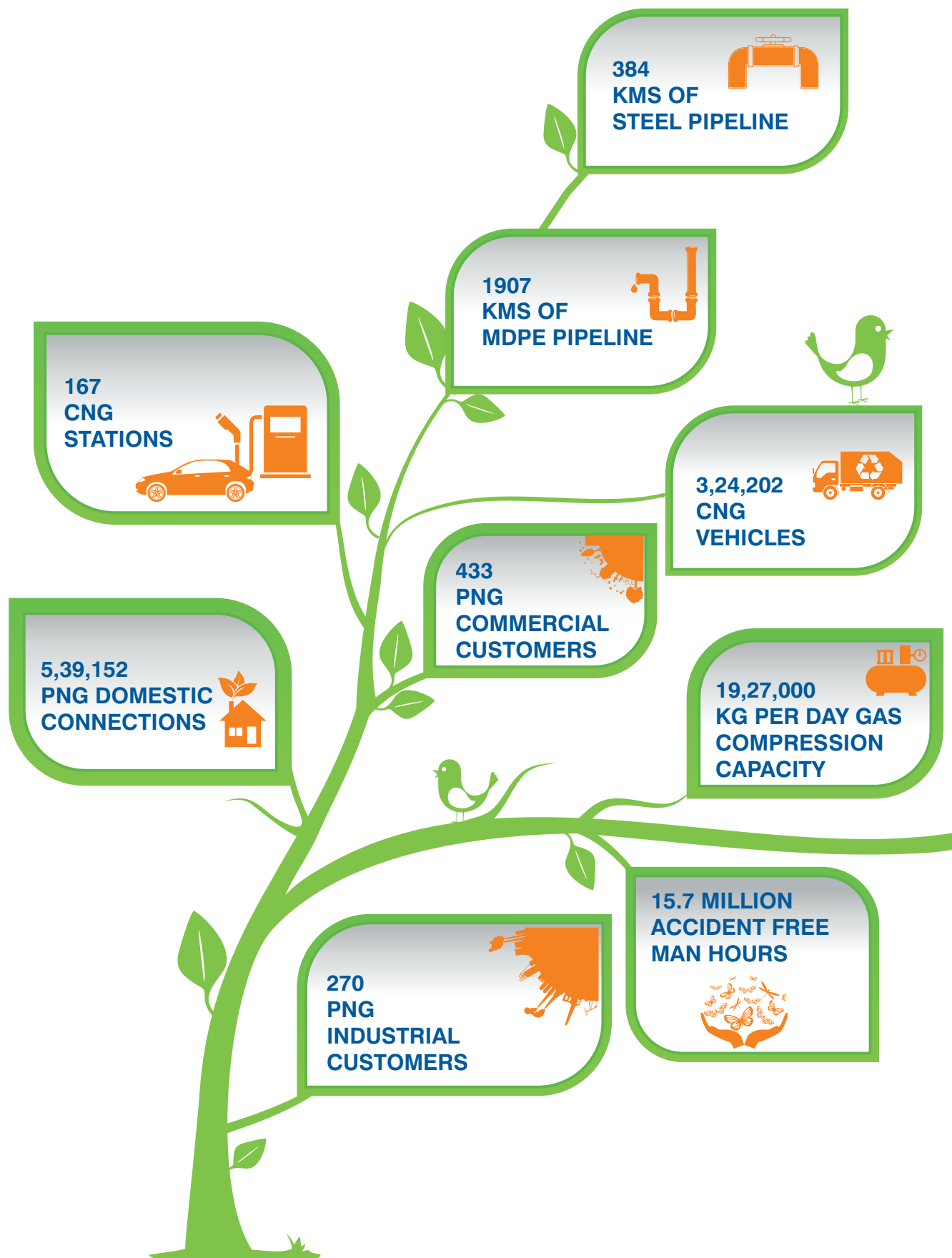


Smt. Bageshree Manthalkar
Independent Director





MILESTONES





HIGHLIGHTS OF THE FY 21-22



01

Highest ever Turnover of Rs.1381 Cr. with growth of 73% over previous Year

Commissioned one of the prominent state-of-the-art LNG facilities in India at Pathardi, Nashik for a reliable supply of natural gas to its customers

02



Highest ever Dividend in the history of MNGL – 100% of Equity Share Capital i.e. Rs.10 per equity share

03



First CGD entity to commence CBG supply under SATAT in Maharashtra. CBG is sourced from M/s Noble Exchange in Pune GA

04



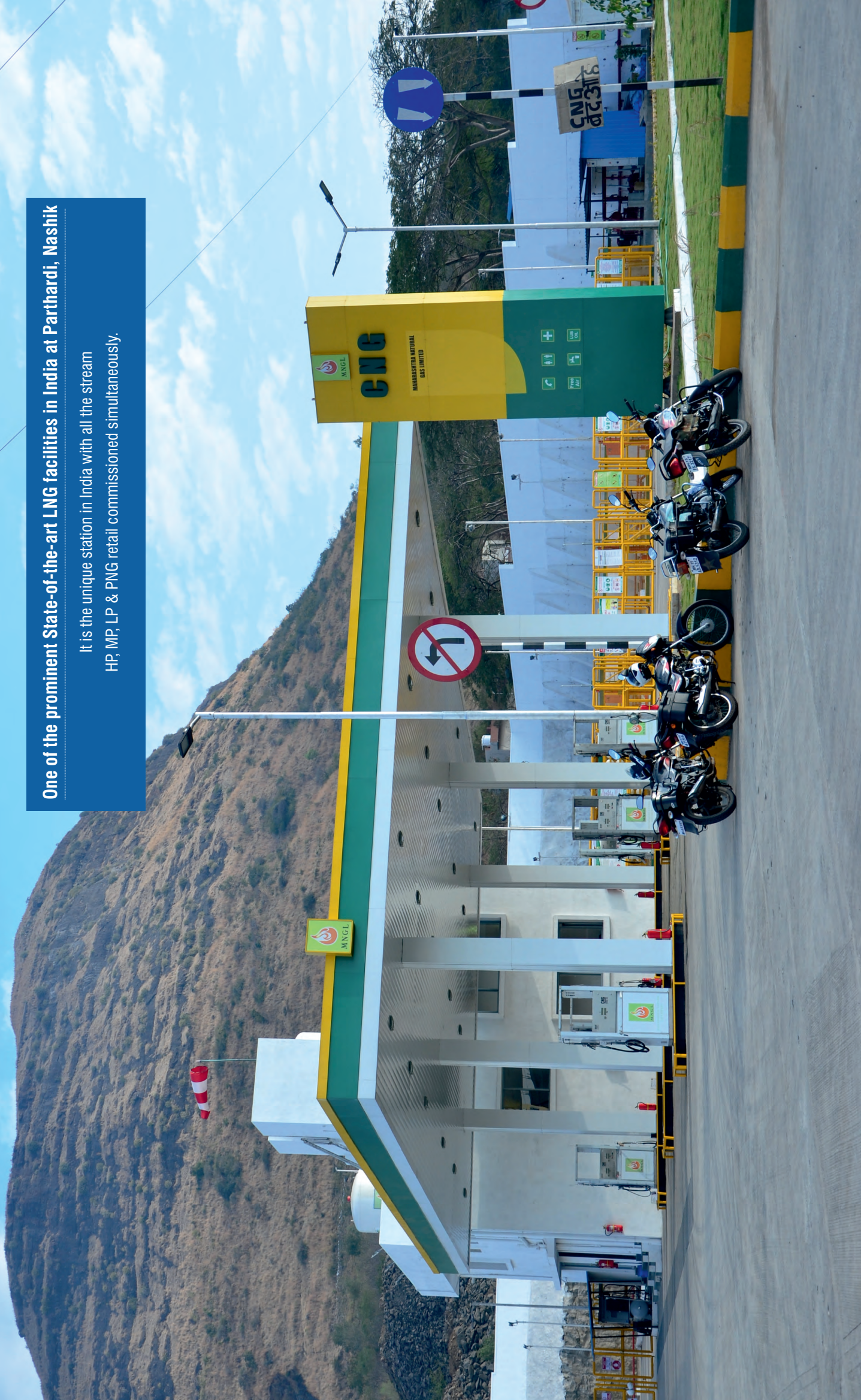
Highest ever PAT of Rs.333 Cr. with growth of 92% over previous year

05



One of the prominent State-of-the-art LNG facilities in India at Parthardi, Nashik

It is the unique station in India with all the stream
HP, MP, LP & PNG retail commissioned simultaneously.

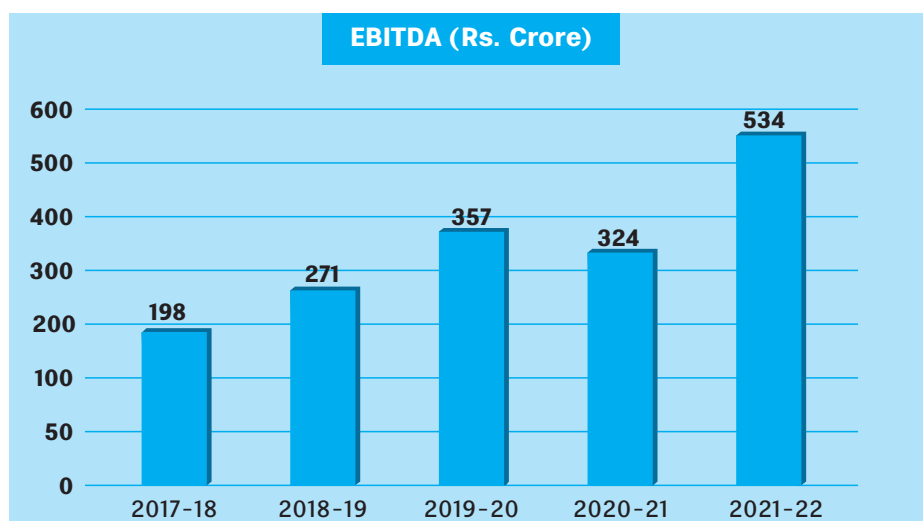
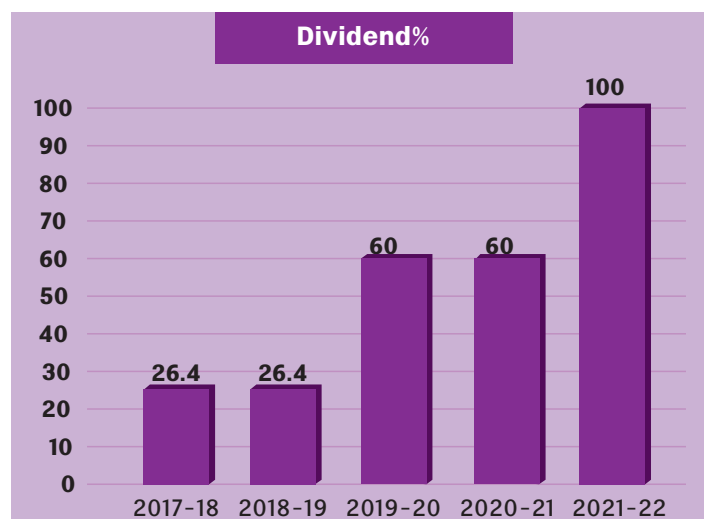
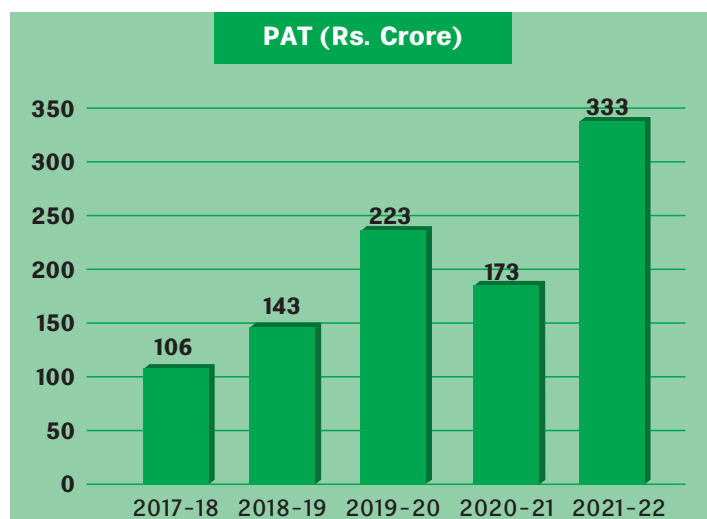
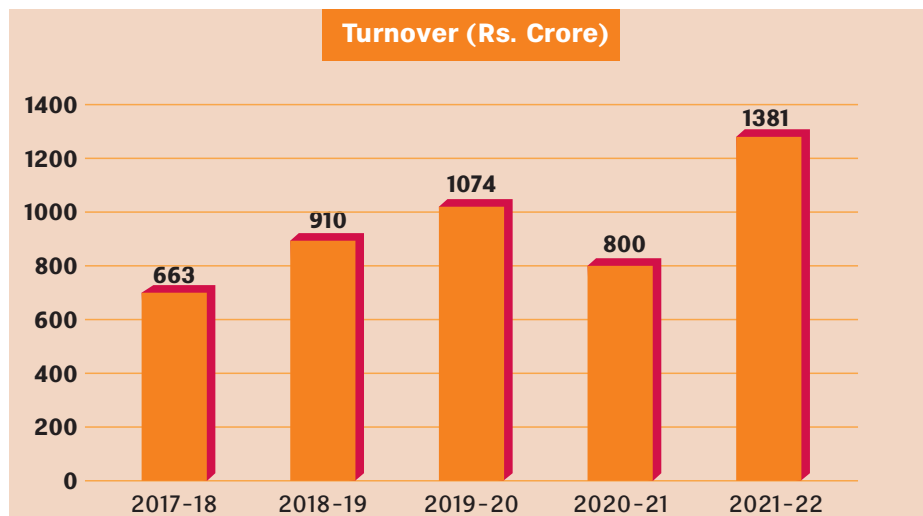


- It consists of 2 no. of LNG storage tank of 114 kl each
- Provision of additional 114 kl has also being made
- Around 1,25,000 SCMD of natural gas can be supplied to this setup

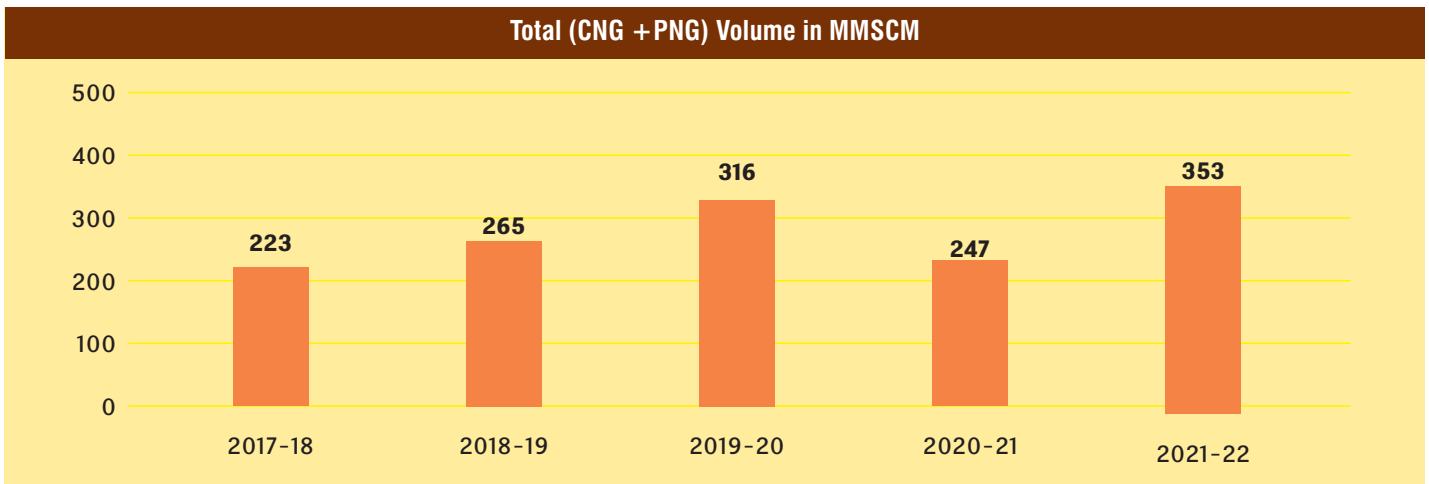
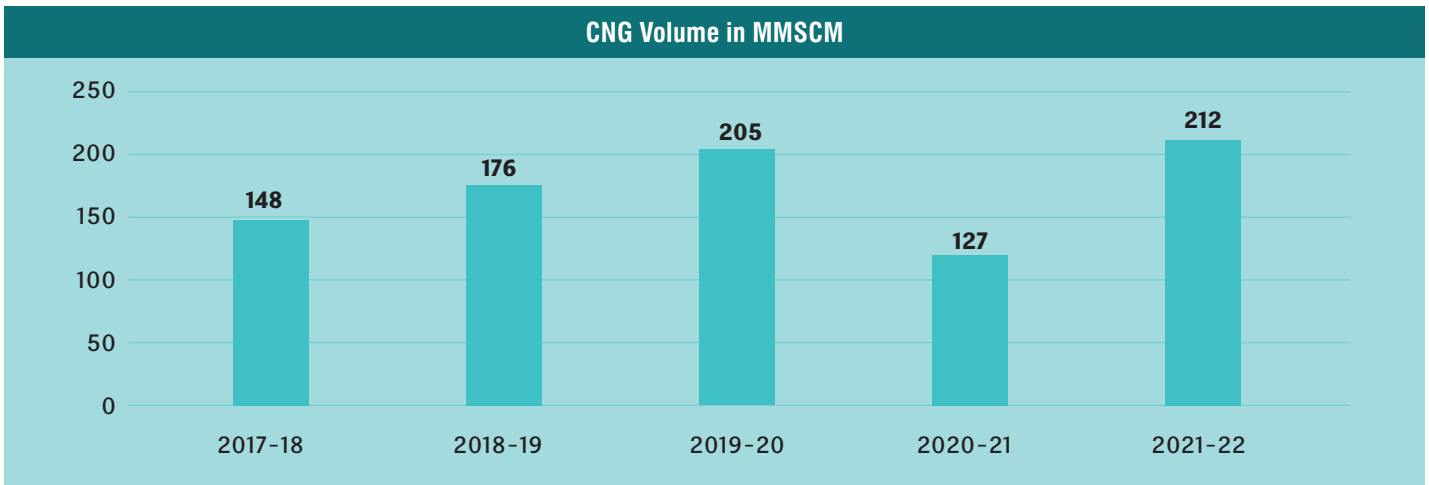
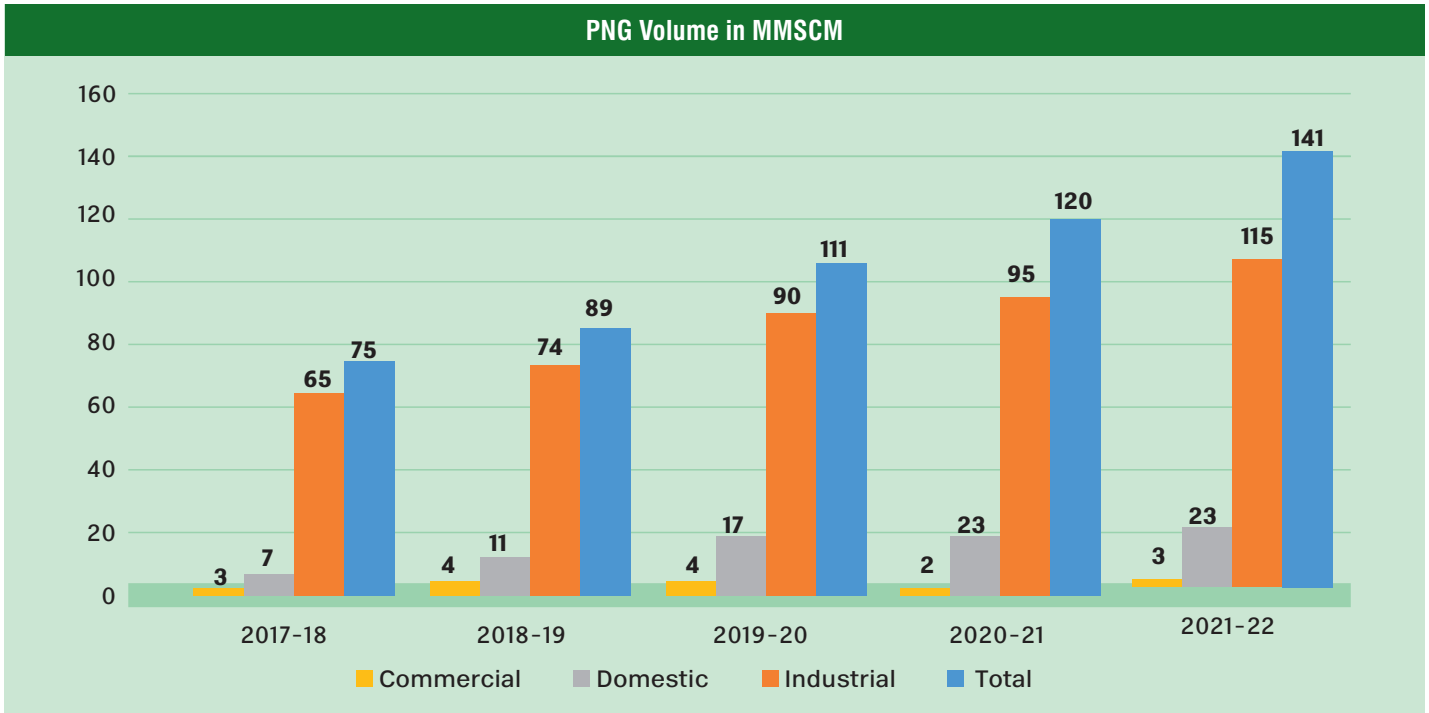




FINANCIAL PERFORMANCE AT GLANCE



CNG & PNG VOLUME PROGRESS





NOTICE

The shareholders of Maharashtra Natural Gas Limited are hereby given notice to attend the 16th Annual General Meeting to be held on Friday, 23rd September, 2022 at 1.00 P.M. at Corporate Office 4th Floor, Pride Purple Cornet, Baner Road, Baner, Pune – 411045 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Director's Report, Independent Auditor's Report and the comments thereon of the Comptroller & Auditor General of India and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Audited Financial Statements for the financial year ended 31st March, 2022, Directors' Report, Independent Auditor's Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted."

2. To declare final dividend @ 100% (Rs.10/-per equity share) on the paid-up equity share capital of the company (Rs.100 Crores) as on the date of declaration for the financial year ended 31st March, 2022 as recommended by the board and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend @ 100% (i.e. Rs.10/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration for the financial year ended on 31st March, 2022 as recommended by the Board."

3. To authorize Board of Directors to fix the remuneration to the Statutory Auditors of the company appointed by Comptroller and Auditor General of India (CAG) in terms of Section 142 of the Companies Act, 2013 and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the requirement of section 142 and other applicable provisions of Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to decide and fix the remuneration of the Statutory Auditors of the company as appointed by the Comptroller and Auditor General of India for the F.Y. 2022-23."

SPECIAL BUSINESS:

To Consider and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolutions:

4. Ratification of payment of Remuneration to Cost Auditor for the F.Y. 2021-22.

"RESOLVED THAT pursuant to the provisions of Section 148 & other applicable provisions, if any, of the Companies Act, 2013 & the Companies (Audit & Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment, thereof, for the time being in force), the remuneration payable to the cost auditor(s) M/s. Dhananjay V. Joshi & Associates, Pune, by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the F.Y. 2021-22 amounting to Rs 3,24,500/- including applicable taxes, be & is hereby ratified & confirmed."

5. To appoint Shri Pawan kumar as Nominee Director from IGL on the Board of MNGL

"RESOLVED THAT Shri Pawan Kumar (DIN: 09419599) who was appointed as an Additional Director of the Company by Board of Directors w.e.f. 4th December, 2021 & who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be & is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

6. To appoint Shri Deepak Gupta as Nominee Director from GAIL on the Board of MNGL

"RESOLVED THAT Shri Deepak Gupta (DIN: 09503339) who was appointed as an Additional Director & Chairman of the Company by Board of Directors w.e.f. 25th March, 2022 & who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 & in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be & is hereby appointed as a Nominee





NOTICE

Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

7. To appoint Shri Sanjay Kumar as Nominee Director from IGL on the Board of MNGL

“**RESOLVED THAT** Shri Sanjay Kumar (DIN: 08346704) who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 25th March, 2021 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

**By the order of Board of Directors
For Maharashtra Natural Gas Limited**

Sd/-
(Shreya Prabhudesai)
Company Secretary

Date: 01.09.2022
Place: Pune





NOTES

1. The explanatory statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. In compliance with the aforesaid MCA Circular, Notice of AGM along with the Annual Report for the financial year 2021-22 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website www.mngl.in
3. The attendance of the Members attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. The Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 setting out the material facts in respect of special business is annexed herewith. The relevant details, pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
5. Institutional / Corporate Members intending their authorized representative(s) to attend the Meeting on their behalf are requested to send a certified copy of the Board Resolution to the Company Secretary by e-mail through its registered e-mail address at shreya.prabhudesai@mngl.in
6. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 16th September, 2022 to Friday, 23th September, 2022 (both days inclusive) to determine the entitlement of the Final Dividend @ 100% (Rs.10/- per equity share) if so, approved by the members of the company at the aforesaid AGM. Final dividend, after declaration at the AGM, will be paid within 30 days of the AGM to those eligible members whose name(s) appear:
 - i. As member(s) holding shares in **physical mode**, in the Register of Members of the Company after giving effect to all valid & complete transfers, lodged with R&TA/ Company on or before **16th September, 2022**; or
 - ii. As Beneficial Owner(s) holding shares in **electronic mode**, details as furnished by the National Security Depository Limited (NSDL) & Central Securities Depository Limited (CDSL) for the said purpose.
7. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 & Investor Education & Protection Fund (Accounting, Audit, Transfer & Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education & Protection Fund (IEPF) Authority. The shares in respect of such unclaimed dividends are also liable to be transferred to the Demat account of IEPF Authority. Hence, the Company urges to all the shareholders to encash/claim their respective dividend during the prescribed period. Members may correspond with the RTA /Company to claim dividends, which remain unclaimed.
8. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 & the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 & amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) & depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN & who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to RTA. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India & their country of residence, subject to providing necessary documents i.e. No Permanent Establishment & Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to RTA.
9. The Register of Directors' & Key Managerial Personnel & their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 & all other documents referred to in the Notice will be available for inspection during the AGM. Members may send their request for inspection by sending an email to shreya.prabhudesai@mngl.in.





NOTES

10. Members desirous of seeking/ obtaining any information / clarifications concerning the accounts and operations of the Company or intending to raise any query are requested to write to the Company at least 10 days before the date of meeting mentioning their name demat account number/folio number, email id, mobile number at mayuresh.ganu@mngl.in and mark cc to shreya.prabhudesai@mngl.in The same will be replied by the Company suitably. However, it is requested to raise the queries precisely and in short at the time of meeting to enable us to answer the same.

Important Communication to Members:

As per the provisions of the Companies Act, 2013 read with the Companies Management and Administration) Rules, 2014, Company may give notice etc. through electronic mode i.e. by e-mail as a text or as an attachment to e-mail or as a notification providing electronic link. Your company shall hosted the notice on website of the company along with Annual Report at www.mngl.in

Members who have not yet registered their e-mail addresses or who want to change their e-mail addresses are requested to register or modify their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

Sd/-

(Shreya Prabhudesai)
Company Secretary

Date: 01.09.2022

Place: Pune





ANNEXURE TO THE NOTICE

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.3

As per section 142 of the Companies Act 2013, the remuneration payable to the Auditors shall be fixed in the General Meeting of the Company or in such manner as may be determined therein. Further, as per section 177 of Companies Act, 2013, Audit committee will recommend the appointment and fixation of remuneration of Statutory Auditors to the Board.

In exercise of the powers conferred by section 139 of the Companies Act 2013, the Comptroller and Auditor General of India (CAG) appoints Statutory Auditor (s) of the Company. Accordingly, the communication from CAG regarding appointment of Statutory Auditors for F.Y. 2022-23 is yet to be received and the same is to be noted by the Board thereafter. After the authorization by the members in the present AGM, Board of Directors shall fix the remuneration of Statutory Auditors on the recommendation of the Audit Committee. The remuneration is commensurate with the quantum of work required to be undertaken by the Statutory Auditors, amendment in prevailing Laws & Regulations and in line with audit fees of peer companies.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO.4

The Board on the recommendation of the Audit Committee, has approved the appointment of M/s. Dhananjay V. Joshi & Associates, Pune, Cost Accountants, as a Cost Auditor of the Company, selected through a competitive bidding, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 and fixed the remuneration of Rs.3,24,500 (Rupees Three Lacs Twenty-Four Thousand Five Hundred only) including all taxes as per the guidelines issued by Institute of Cost Accountants of India, for the financial year

ended on March 31, 2022, subject to the ratification of the Members at the Annual General Meeting.

Pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the remuneration of Cost Auditor shall be recommended by the Audit Committee, approved by the Board of Directors and to be ratified subsequently by the members. Accordingly, it is proposed to obtain the consent of the members to ratify the remuneration to the Cost Auditors for the financial year ending March 31, 2022.

None of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO.5

The Board, at its meeting held on December 04, 2021, appointed Shri Pawan Kumar (DIN: 09419599), as an Additional Director of the Company with effect from December 04, 2021, pursuant to Section 161 of the Companies Act, 2013, read with Article 142 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Pawan Kumar (DIN: 09419599), will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from Indraprastha Gas Ltd. (Shareholder of MNGL) proposing the candidature of Mr. Pawan Kumar for the office of Director.

The Company has received from Shri Pawan Kumar (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

After taking up as a Director on the Board of MNGL, Four Board Meetings were held till 31st March, 2022 and he has attended three meetings. His brief resume containing his age,



qualifications, expertise etc. is annexed herewith pursuant to the provisions of Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Other than Shri Pawan Kumar and his relatives, none of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO.6

The Board, at its meeting held on April 19, 2022, appointed Shri Deepak Gupta (DIN: 09503339), as an Additional Director & Chairman of the Board with effect from March 25, 2022, pursuant to Section 161 of the Companies Act, 2013, read with Article 142 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Deepak Gupta (DIN: 09503339), will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from GAIL (India) Ltd. (Shareholder of MNGL) proposing the candidature of Mr. Deepak Gupta for the office of Director.

The Company has received from Shri Deepak Gupta (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

He has taken charge of a Chairmanship & Director on the Board of MNGL at the end of the FY 2021-22. His brief resume containing his age, qualifications, expertise etc. is annexed herewith pursuant to the provisions of Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Other than Shri Deepak Gupta and his relatives, none of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in

the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

ITEM NO.7

The Board, at its meeting held on April 19, 2022, appointed Shri Sanjay Kumar (DIN: 08346704), as an Additional Director of the Board with effect from March 25, 2022, pursuant to Section 161 of the Companies Act, 2013, read with Article 142 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Sanjay Kumar (DIN: 08346704), will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from Indraprastha Gas Ltd. (Shareholder of MNGL) proposing the candidature of Shri Sanjay Kumar for the office of Director.

The Company has received from Shri Sanjay Kumar (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

He has taken charge of a Director on the Board of MNGL at the end of the FY 2021-22. His brief resume containing his age, qualifications, expertise etc. is annexed herewith pursuant to the provisions of Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Other than Shri Sanjay Kumar and his relatives, none of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.



Brief resume of Directors seeking appointment at the 16th Annual General Meeting as per SS-2 on General Meetings

Name	Shri Pawan Kumar Nominee Director	Shri Deepak Gupta Nominee Director & Chairman	Shri Sanjay Kumar Nominee Director
Date of Birth	05.03.1965	12.02.1969	15.06.1967
Date of Appointment	04.12.2021	25.03.2022	25.03.2022
Date of Re-appointment	-	-	-
Qualification	Industrial Engineer, IIT, Roorkee Post Graduate in Management from S.P. Jain Institute of Management & Research, Mumbai	Mechanical Engineer, a DCE alumnus A certified Project Management Professional (PMP) by the PMI, USA	Mechanical Engineer, IIT, Kharagpur MBA (Business Administration)
Expertise in specific functional Areas	Mr. Kumar is a senior leader in hydrocarbon space having a rich experience of over 33 years across multiple regions in various roles during his tenure in Bharat Petroleum Corporation Limited (BPCL). He has worked across the entire value chain in LPG sector, including Marketing, Operations, Maintenance, Safety, Training, Strategy, Network Expansion, Distribution Channel Management, Logistics etc. Presently he is holding the position of Director (Commercial) in Indraprastha Gas Limited. Before joining the current assignment, he was the Regional LPG Head for Northern Region of BPCL comprising seven states & three Union Territories servicing 2.5 crore customers & 2000 distributors. He has been the pioneer in implementation of Ujjwala Scheme across states of Uttar Pradesh, Uttarakhand, Delhi, Haryana, Rajasthan, Punjab, Himachal Pradesh, Jammu & Kashmir, Ladakh and Chandigarh. He also holding the position of Director (Commercial) of Indraprastha Gas Ltd.	He has comprehensive and extensive experience in Project Management of Refinery, Petrochemical and Pipeline Projects from concept to commissioning and has led the execution of several successful Projects in India in all modes of Project implementation viz. EPC (LSTK), EPCM, OBE and PMC. He has successfully collaborated with multi-disciplinary and cross-functional teams across geographies for implementing the highly complex and challenging Oil and Gas Projects. In EIL, he has been on the forefront in leading the implementation of the multi-billion dollar 650 KBPSD Dangote Refinery and Petrochemical Project in Nigeria, the largest single train grassroot Refinery in the world, which is also the largest Refinery Complex under implementation in the African continent. Besides this mammoth project, he has also led the implementation of the one of the largest Polymer facilities for HMEI at Bhatinda and the upcoming maiden	Shri Sanjay Kumar has joined GAIL in the year 1988 and over the next 3 decades has worked in various roles across domains including Gas Marketing, LNG Sourcing/Trading/Shipping, Business Development, Gas Transmission, Projects Management & Gas Pipeline Operation & Maintenance. This cross functional and multifarious experience has enabled him to gain deep insight on all aspects of the gas and LNG value chain. In the year 2011, Shri Sanjay Kumar was tasked with setting up GAIL's overseas LNG trading subsidiary GAIL Global (Singapore) Pte. Ltd. in Singapore. This was the first such subsidiary created by any Indian Oil & Gas PSU and over the next 4 – 5 years he played important role in developing this subsidiary into a standalone entity that is now well established in the global LNG business. He has also served as GAIL's nominee director on the Boards of GAIL's other overseas subsidiaries viz. Gail Global (USA) Inc. and GAIL Global (USA) LNG LLC. In



		<p>Refinery Project in Mongolia. Besides the above, he has made significant contribution as part of team EIL that is credited with the successful implementation of the Petrochemical Expansion Project at Pata for GAIL and the PFCC Unit of MRPL Phase III Expansion Project at Mangalore. As the convener of CHT Committee on Project Execution Best Practices he has made meaningful contribution in identifying key areas of improvement in project execution. Mr. Gupta has authored several papers and books sharing his experiences, feedbacks and ideas for fast track Project execution. Several key innovations and initiatives proposed by him are now a part of the best execution practices within the organisation. His special interests include project execution innovations, petrochemicals, strategy formulation, business growth initiatives, system improvement and digitalisation- for fast track project execution. Mr. Gupta has made presentations on strategies for mega project implementation and digitalisation at key forums, both in India and Overseas and has won wide appreciation for his thoughts and ideas. He also holding the position of Director (Projects) of GAIL (India) Ltd.</p>	<p>his current role, Shri Sanjay Kumar is responsible for overseeing GAIL's Gas Marketing and Transmission business. He also holding the position of Managing Director of Indraprastha Gas Ltd.</p>
Directorship held in other companies	Indraprastha Gas Ltd.	GAIL (India) Ltd.	Indraprastha Gas Ltd.
Membership/Chairmanships of Statutory Committees of Board of Directors	Audit Committee - Member CSR Committee - Member	-	-



No. of shares held in MNGL	-	-	-
Remuneration last drawn (incl. sitting fees)	Sitting Fees Only	Sitting Fees Only	Sitting Fees Only
Remuneration proposed	Sitting Fees Only	Sitting Fees Only	Sitting Fees Only

PROXY FORM

Maharashtra Natural Gas Limited

Form no.MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2014

CIN: U11102PN2006PLC021839

Registered Office:

A Block, Plot No.27, Narveer Tanajiwadi, PMT Bus Depot Commercial Bldg., 1st Floor, Shivaji Nagar, Pune- 411 005

Email: info@mngl.in website: www.mngl.in

Name of the Member(s):	
Registered Office:	
Email id:	
Folio no./ Client id:	
DP id:	

I/We being the member (s) of shares of the above named company, hereby appoint:

1. NameAddress.....
Email ID.....Signature of failing him/her.
2. NameAddress.....
Email ID.....Signature of failing him/her.
3. NameAddress.....
Email ID.....Signature of failing him/her.

as my/our proxy to attend vote (on a poll) for me/us on my/our behalf at 16th Annual General Meeting to be held on September 23, 2022 at 1.00 PM at Corporate Office 4th Floor, Pride Purple Cornet, Baner Road, Baner, Pune – 411045 and any adjournment thereof in respect of such resolutions indicated :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the Director's Report, Independent Auditor's Report and the comments thereon of the Comptroller & Auditor General of India and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Audited Financial Statements for the financial year ended 31st March, 2022, Directors' Report, Independent Auditor's Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted."

2. To declare final dividend @ 100% (Rs.10/-per equity share) on the paid-up equity share capital of the company (Rs.100 Crores) as on the date of declaration for the financial year ended 31st March, 2022 as recommended by the board and to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend @ 100% (i.e. Rs.10/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration for the financial year ended on 31st March, 2022 as recommended by the Board."

3. To authorize Board of Directors to fix the remuneration to the



Statutory Auditors of the company appointed by Comptroller and Auditor General of India (CAG) in terms of Section 142 of the Companies Act, 2013 and to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the requirement of section 142 and other applicable provisions of Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to decide and fix the remuneration of the Statutory Auditors of the company as appointed by the Comptroller and Auditor General of India for the F.Y. 2022-23.”

SPECIAL BUSINESS:

4. Ratification of payment of Remuneration to Cost Auditor for the F.Y. 2021-22.

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment, thereof, for the time being in force), the remuneration payable to the cost auditor(s) M/s. Dhananjay V. Joshi & Associates, Pune, by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the F.Y. 2021-22 amounting to Rs 3,24,500/- including applicable taxes, be and is hereby ratified & confirmed.”

5. To appoint Shri Pawan kumar as Nominee Director from IGL on the Board of MNGL

“RESOLVED THAT Shri Pawan Kumar (DIN: 09419599) who was appointed as an Additional Director of the Company by Board of Directors w.e.f. 4th December, 2021 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

6. To appoint Shri Deepak Gupta as Nominee Director from GAIL on the Board of MNGL

“RESOLVED THAT Shri Deepak Gupta (DIN: 09503339) who was appointed as an Additional Director & Chairman of the Company by Board of Directors w.e.f. 25th March, 2022 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his

candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

7. To appoint Shri Sanjay Kumar as Nominee Director from IGL on the Board of MNGL

“RESOLVED THAT Shri Sanjay Kumar (DIN: 08346704) who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 25th March, 2021 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

8. To appoint Shri Anil Kumar P as Nominee Director from BPCL on the Board of MNGL

“RESOLVED THAT Shri Anil Kumar P (DIN: 09912271) who was appointed as an Additional Director of the Company by Board of Directors w.e.f. 1st September, 2022 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

Signed thisday of2012

Signature of the Shareholder

-affix Revenue stamp Rs.1/-

Signature of the proxy holder

Note this form of proxy in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.





Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Registered Office: A Block, Plot No.27, Narveer Tanajiwadi, PMT Bus Depot Commercial Bldg., 1st Floor
Shivaji Nagar, Pune– 411 005
Email: info@mngl.in **website:** www.mngl.in

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL joint shareholder may obtain additional attendance slip on request(Folio no.DP id*,Client id *and name of the Shareholder/Joint share holder/PROXY in BLOCK LETTERS to be furnished below:

Shareholder/Proxy holder	DP Id*	Client Id*	Folio	No.of Shares held held

I hereby record my presence at the 16th Annual General Meeting to be held on September 23, 2022 at 1.00 PM at Corporate Office 4th Floor, Pride Purple Cornet, Baner Road, Baner, Pune – 411045

SIGNATURE OF THE SHAREHOLDER OR PROXY.....

Notes:

- 1. Shareholders /proxy holders are requested to bring the Attendance slip when they come to to the meeting and hand it over at the gate after completely filling the details and affixing their signature on it.
- 2. *Available for investors holding the shares in electronic (demat) form.





ADDENDUM TO NOTICE

The shareholders of Maharashtra Natural Gas Limited are hereby given the addendum to the notice of 16th Annual General Meeting to be held on Friday, 23rd September, 2022 at 1.00 P.M. at Corporate Office 4th Floor, Pride Purple Cornet, Baner Road, Baner, Pune – 411045 to transact the following additional business:

SPECIAL BUSINESS:

To Consider and if thought fit, to pass with or without modification(s), the following Resolutions as Ordinary Resolutions:

8. To appoint Shri Anil Kumar P as Nominee Director from BPCL on the Board of MNGL

“**RESOLVED THAT** Shri Anil Kumar P (DIN: 09912271) who was appointed as an Additional Director of the Company by Board of Directors w.e.f. 1st September, 2022 and who hold office until the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 signifying his candidature for the office of Director, be and is hereby appointed as a Nominee Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

By the order of Board of Directors

For Maharashtra Natural Gas Limited

Sd/-

(Shreya Prabhudesai)

Company Secretary

Date: 08.09.2022

Place: Pune





ANNEXURE TO THE ADDENDUM TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.8

The Board, through Circular Resolution appointed Shri Anil Kumar P (DIN: 09912271), as an Additional Director of the Board with effect from September 01, 2022, pursuant to Section 161 of the Companies Act, 2013, read with Article 142 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Anil Kumar P (DIN: 09912271), will hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from Bharat petroleum Corporation Ltd. (Shareholder of MNGL) proposing the candidature of Shri Anil Kumar P for the office of Director.

The Company has received from Shri Anil Kumar P (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

He has taken charge of a Director on the Board of MNGL w.e.f. 1st September, 2022. His brief resume containing his age, qualifications, expertise etc. is annexed herewith pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Other than Shri Anil Kumar P and his relatives, none of the Directors, Key Managerial Personnel and/ or their relatives, is/ are interested or concerned, financially or otherwise in the resolution, except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the Resolution(s) as set out in the accompanied Notice for approval of the shareholders.

Brief resume of Directors seeking appointment at the 16th Annual General Meeting as per SS-2 on General Meetings

Name	Shri Anil Kumar P, Director
Date of Birth	15.01.1966
Date of Appointment	01.09.2022
Date of Re-appointment	-
Qualification	Mechanical Engineering from University of Calicut. Post Graduate in Management from S.P. Jain Institute of Management & Research, Mumbai.
Expertise in specific functional Areas	He began his career in 1988 in BPCL. Total 33 years of experience. Having a wide experience in Engineering & Projects, Operations, Marketing, Planning, Execution of Infrastructure Projects, and Pipelines & Information System. Presently, he is Executive Director (Gas BU) in Bharat Petroleum Corporation Limited.
Directorship held in other companies	He was Director in Bharat Gas Resources Ltd. until merged with BPCL in August 2022.
Membership/ Chairmanships of Statutory Committees of Board of Directors	-
No. of shares held in MNGL	-
Remuneration last drawn (incl. sitting fees)	Sitting Fees Only
Remuneration proposed	Sitting Fees Only





DIVIDEND PRESENTATION 2020-21

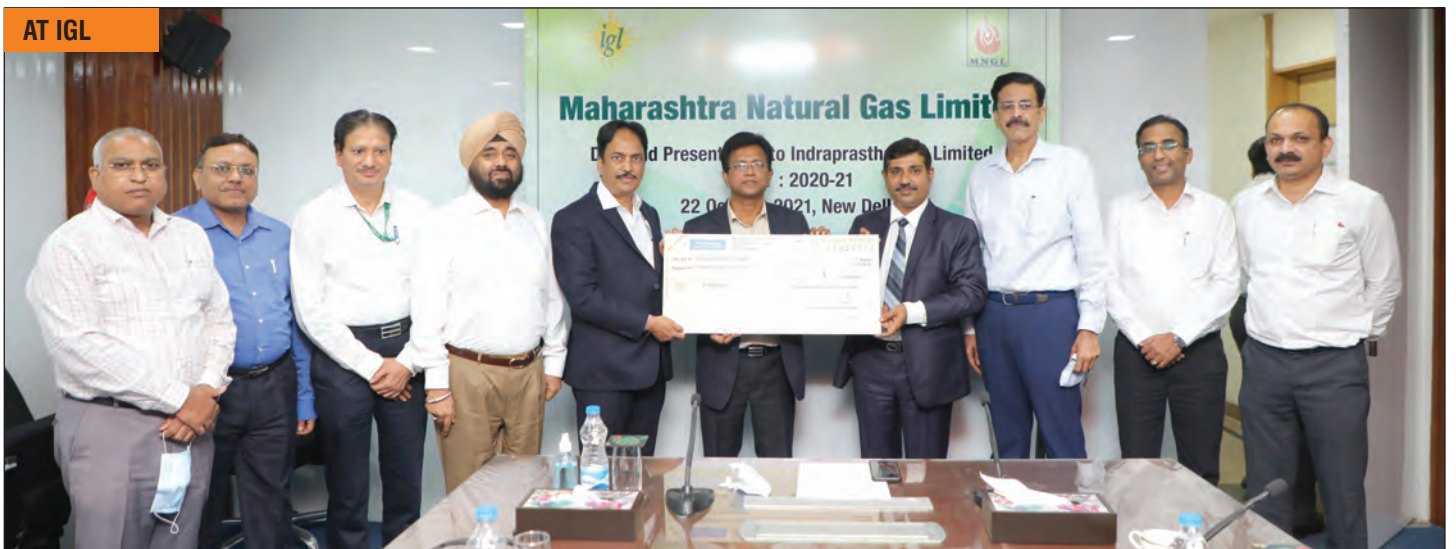
AT GAIL



AT BPCL



AT IGL





DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the Sixteenth Directors Report along with the Audited Accounts of the Company for the year ended 31st March, 2022 together with the Auditors' Report and Comments on the accounts by the Comptroller and Auditor General of India (C&AG).

1. FINANCIAL REVIEW

During the FY 2021-22, your Company has achieved turnover of Rs.1381.41 Crores, as against Rs.800.26 Crores in the previous financial year marking highest ever growth of 73% over previous year.

The Profit after tax in FY 2021-22 is Rs. 333 Crores as against Rs.173 Crores in FY 2020-21 achieving the highest ever growth of 92% over previous year and EBIDTA of the Company is Rs. 538 Crores as against Rs.324 Crores of the F.Y.2020-21.

The Financial results for the year ended March 31, 2022 are summarized below:

Particulars	For the Year	
	2021-22 (Rs. in Crores)	2020-21 (Rs. in Crores)
Sales	1381.41	800.26
Other Income	4.37	1.07
Profit before Depreciation, Finance Cost and Tax	534.39	324.24
Finance Cost	17.64	23.26
Depreciation & Amortization of Expenses	70.66	64.24
Profit before Tax	446.09	236.74
Provision for Tax including deferred tax	113.47	63.76
Profit after Tax	332.62	172.98
Other Comprehensive Income	0.02	-
Profit brought forward from previous years	725.46	612.48
Profit available for appropriation	1058.10	785.46

APPROPRIATIONS

Re-measurement of Post Employee Benefits	-	-
Dividend Paid during the year	60.00	60.00
Corporate Dividend Tax	-	-
Transferred to General Reserve/carried forward	998.10	725.46

Net worth per share has increased from Rs. 82.55 in FY 2020-21 to Rs. 109.81 in FY 2021-22 signifying sound return on investment coupled with sizeable amount of profit ploughed back into the business.

2. APPROPRIATIONS

DIVIDEND

Your Company is consistently distributing the dividend from FY 2011-12.

The Board of Directors of your Company has recommended a final dividend of Rs.10.00 per Equity Share (i.e. 100% of the paid-up equity



share capital of Rs. 100 Crores) for the year which is 30% of PAT amounting to Rs. 100.00 Crores.

The payment of final dividend, after your approval at the forthcoming Annual General Meeting, will be made in accordance with the regulations applicable at that time.

3. TRANSFER TO RESERVES

The Company proposes to transfer Rs.272.64 Crores to the Reserves, thereby enhancing the total reserves up to Rs.998.10 Crores.

4. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans nor granted any guarantees nor made any investments covered under the provisions of section 186 of the Companies Act, 2013.

5. SHARE CAPITAL AND FINANCIAL CLOSURE OF MAHARASHTRA NATURAL GAS LIMITED

The Paid-up Share Capital remained at Rs. 100 crores.

6. COMPANY PERFORMANCE

During the year, the Company recorded sales as under:

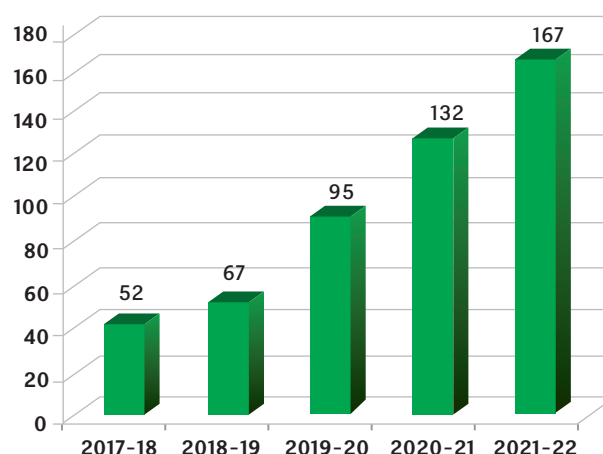
(Figures in MMSCM)

Particulars	For the Year Financial Year		
	2021-22	2020-21	% Growth (YoY)
Compressed Natural Gas (CNG)	212.36	126.80	67%
Piped Natural Gas (PNG)	140.78	119.80	18%
Total	353.14	246.60	43%
Average Sales per day (MMSCD)	0.97	0.68	

a. Compressed Natural Gas Business (CNG)

During FY 2021-22, the business of CNG has grown substantially. MNGL has achieved its new height in strengthening its CNG distribution infrastructure by escalating the number of CNG stations to 167 Nos. (includes 100 in Pune and Pimpri Chinchwad including adjoining areas of Hinjewadi, Chakan & Talegaon, 48 in Nashik District, 08 in Sindhudurg district, 11 in Ramanagara district) as against 132 Nos. CNG stations till previous year with a YoY growth of around 27% by end of FY 2021-22. Thus, 37 (2 station handed over to M/s Torrent)nos. of new CNG stations were added during the year. In addition to this 14 Daughter Booster stations were converted to Online on account of pipeline connectivity being established to these stations. MNGL has commissioned its 1st LNG station in Nashik GA at Pathardi in the month of January 2022 providing combined facility of LNG and LCNG in one station. Around 1,25,000 SCMD of natural gas can be supplied through the LNG station. MNGL has also commissioned dedicated CNG station for M/s Toyota Kirloskar Motor Pvt. Ltd. in Ramnagara in December 2021. The station is being used by Toyota Motors for their captive consumption. The cumulative compression capacity has increased to 112200 SCMH during 2021-22 compared to previous year's cumulative compression capacity of 86550 SCMH with growth of around 30%.

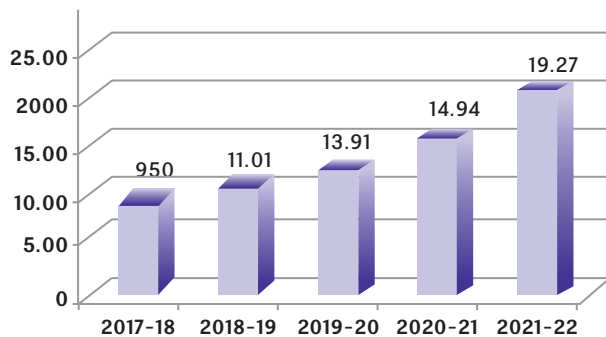
CNG STATIONS



Your company has crafted up YoY growth of around 13% in operating the number of vehicles on CNG as 3,24,202 by end of March 2022. MNGL is currently refueling 1,805 Buses, 2,39,200 Four wheelers and 82,722 Three wheelers in addition to 26 no. of few vehicles from the Municipal Garbage Department, contract carriage minibuses, school buses, delivery vans and the Postal Department vehicles.



COMPRESSION CAPACITY (Lakhs Kg/day)

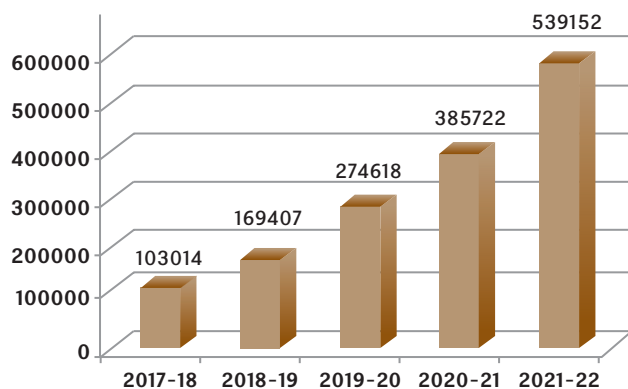


b. PNG

i. Domestic Connections

Your company has managed to achieve 1,57,862 (out of which 4432 no. of domestic connections were handed over to Ms/Torrent) no. of additional domestic PNG connections during the F.Y. 2021-22 thereby reaching total cumulative PNG domestic connections to 5,39,152. It shows almost around 40% growth over the previous year's cumulative total domestic PNG connections of 3,85,722.

PNG : DOMESTIC CONNECTION (NOS.)

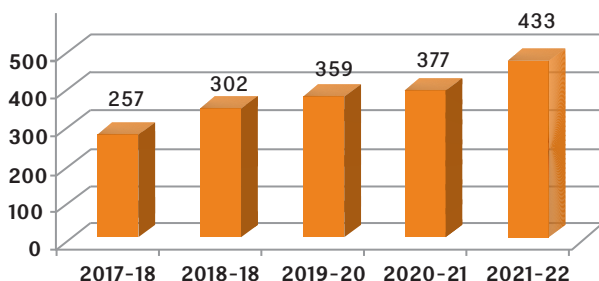


ii. Commercial Connections:

Commercial customers of your company have increased from 377 during F.Y. 2020-21 to 433 in F.Y. 2021-22. Company has successfully extended the PNG network.

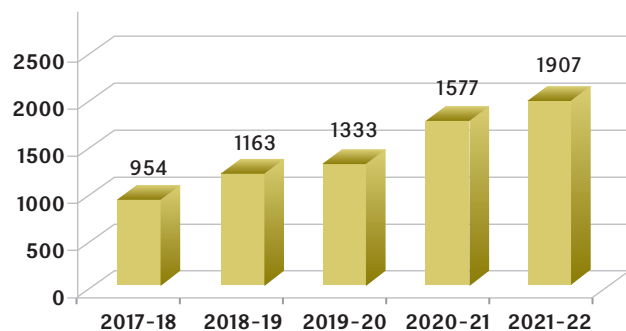
The Company has recovered from the impact of COVID-19 during FY19-20 in Commercial segment. Hospitality sector

PNG COMMERCIAL CONNECTIONS (NOS.)



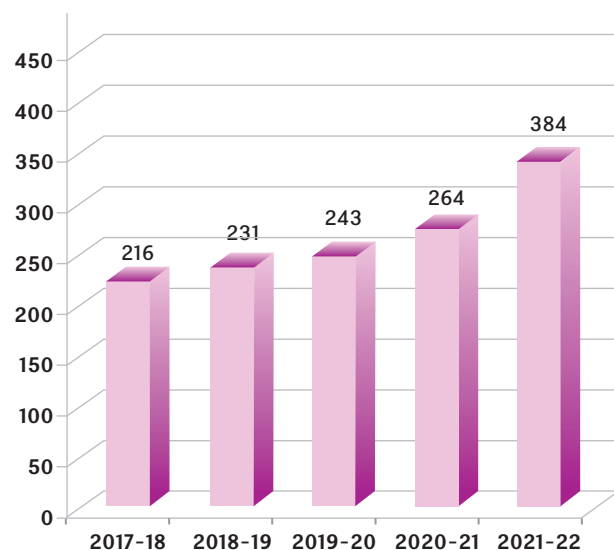
was the most affected segment due to COVID pandemic as most of the Hotels closed during the pandemic. By March'22 end commercial segment has reached pre-covid situation in terms of daily avg. PNG consumption of 12000 SCMD. However, your company has managed to add new 56 customers and sustain sale near about past fiscal year.

MDPE (Kms.)



Your company has increased its infrastructure of steel pipeline network from 264 KM in F.Y. 2020-21 to 384 KM in F.Y. 2021-22 and its MDPE network from 1577 KM in F.Y. 2020-21 to 1907 KM in F.Y. 2021-22 showcasing steady expansion of pipeline infrastructure.

STEEL (Kms.)



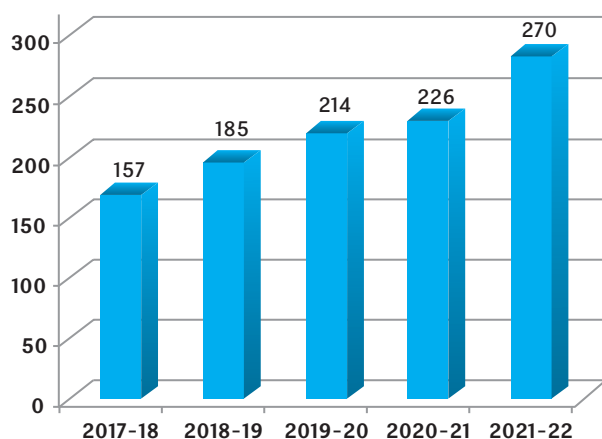
iii. Industrial Connections:

Industrial segment is another most important segment after CNG in terms of volume & growth in overall product portfolio of MNGL. During F.Y. 2021-22 your company has maintained focus on industrial segment considering important revenue generating segment.

Your company has increased the number of Industrial connections cumulating to 270 in the FY 2021-22 as against



PNG : INDUSTRIAL CONNECTION (NOS.)



226 in the FY 2020-21 registering a growth of 19% during the year under review. Daily Avg. volume in Industrial segment has increased to 3.13 Lakh SCMD in FY21-22 against 2.60 Lakh SCMD in FY20-21 registering a growth of 20% during the year.

For F.Y. 2022-23, MNGL have kept target of adding 100 more industries & adding daily volume of 1,00,000 SCMD.

7. FUTURE OUTLOOK

India has a high potential of gas demand and It is expected to be one of the largest consumers of natural gas globally. While the target of a 15% gas share in the energy mix remains a top priority, the Covid-19 has accelerated energy transition from Oil and Coal to Gas and Renewables.

Propelled by stricter pollution regulations, start of gas exchange, advantage of gas over other alternative energy sources, and clear plan and competence of Indian energy companies to grow infrastructure, the demand for natural gas is expected to rise continuously. It has set the stage for a gas boom.

Despite the huge potential of the gas sector in India, there are many concerns when it comes to city gas distribution (CGD)-specifically related to Infrastructure. CGD infrastructure including transmission and distribution, is a major hurdle in unlocking India's gas demand potential. The Indian government has initiated a couple of programs and schemes to develop CGD Infrastructure, networks and pushing growth of the sector to ensure gas supply to more areas. In future, the sector needs to focus on real coverage and actual availability that CGD networks are ensuring across states.

CNG segment also needs a lot of efforts and growth, with some investment upfront. City gas entities must ensure that CNG is made available across their areas, selecting routes for long distance travel as well so that the vehicle owners have confidence to travel in case, they own CNG vehicles. With PNG supply issues in defence areas resolved, the Urban Affairs Ministry has also issued lot of advisories, but some states have not been able to come up with up-to-the-mark policy

guidelines. The issue of obtaining permissions, land, bidding criteria as well as NOC requirements persist when it comes to municipal bodies.

The movement to a lower carbon energy system leads to a fundamental restructuring of global energy markets, with a more diversified energy mix, increased levels of competition, shifting economic rents, and a greater role for customer choice.

With addition of new geographies under 11th bidding round, MNGL is set to contribute more in the share of gas consumption and drive profitability for company. MNGL has started aggressive expansion of network in geographical areas of Nashik, Sindhudurg and Ramanagara districts.

Along with Domestic and CNG segments, MNGL is successful in reaching Industrial and Commercial segments in Nashik and Ramanagara GAs. Going forward, MNGL is committed to grow exponentially in coming years to reach out to maximum end users possible and boost the energy solutions for them.

Along with the supply of natural gas in the forms of CNG, PNG, LNG; MNGL is also successful in exploring a medium of Compressed Biogas under SATAT initiative to bring secure, affordable and sustainable energy to all its citizen. MNGL became the first CGD entity to commence Compressed Biogas (CBG) supply under the SATAT initiative of Govt. of India in MAHARASHTRA in Pune GA during the last year 2021-22.

8. REGULATORY DEVELOPMENTS

Petroleum and Natural Gas Regulatory Board (PNGRB) with its framed regulations, implements several amendments as necessary for proper governance of CGD entities & its business operations.

PNGRB and their defined regulations are directed in the interests of consumers and CGD entities. These PNGRB regulations assist/support CGD companies to execute CGD activities uniformly.

Amendments in regulations:

The Petroleum and Natural Gas Regulatory Board (PNGRB) has amended the "Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, twice during the fiscal dated 07.09.2021 and 14.02.2022.

PNGRB has also amended the "Petroleum and Natural Gas Regulatory Board (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008" dated 27.08.2021. The amendment aims to introduce flow measurement of natural gas and fluids by Coriolis meter.

Technical Standards and Specifications including Safety Standards for Dispensing of CNG from Mobile Refuelling Unit) Regulations, 2021.



The Petroleum and Natural Gas Regulatory Board (PNGRB) has introduced the draft “PNGRB (Technical Standards and Specifications including Safety Standards for Dispensing of Compressed Natural Gas (CNG) from Mobile Refuelling Unit) Regulations, 2021.”

The technical standard and specifications including safety standards under this regulation lay down the minimum requirements in design, operation, inspection, maintenance, training, consumer safety at a mobile refuelling unit (MRU). However, it does not cover the certification or fitness requirements of vehicles. Further, the provisions of these regulations shall apply to the installation of MRU for dispensing of compressed natural gas at various locations such as depots, school campus, societies, fleet vehicles, designated area along side of the road etc. The said draft regulation is in the final stages of approval and notification.

9. TOWARDS CUSTOMER DELIGHT

In today's scenario Customer looks forward to obtaining efficient services by way of prompt response from the service provider. Keeping the same into consideration, MNGL has been working towards ensuring a prompt response to their valued customers.

The prime objective has been to connect, communicate and care in order to foster an enduring relationship between MNGL and its valued customers.

An important development for streamlining CRM operations was achieved through implementation of email tool management system which has enabled the systematic monitoring and tracking of complaints from our customers.

During this year, the Company strengthened its Customer Relationship Management (CRM) backed by IT applications which enabled MNGL to come up with a user-friendly website.

With the upgradation of new website, customers can now lodge their complaints on any service-related issue by easily selecting the pre-set categories or nature of complaints from the drop-down menu. The above has resulted in increased customer satisfaction.

MNGL has also developed innovative application for e- name transfer facility with relevant supporting documents. Further, strengthening its online operations, MNGL has introduced bill delivery and payment by SMS link.

On the customer service front, MNGL has used digital innovation to improve and provide our customers with seamless experience. We launched as well as strengthened a host of digital initiatives with the aim of making life easy for our customers. Thus, adding a new dimension to customer engagement and looks forward to developing it further.

10. INFORMATION TECHNOLOGY

Your Company has witnessed smooth operation of SAP R/3 ERP system as well as IT systems during the year. With the

data center being hosted on cloud in state-of-the-art data center, maximum uptime of IT Infrastructure, systems and services could be achieved without any loss-time of operation.

The year 2021-22 witnessed various digitization initiatives both within SAP and independent of it. e-Invoicing from along with digital signature was seamlessly integrated with GST Portal. To monitor outstanding of domestic customers SAP process of Dunning was implemented. Financial controls were strengthened by introducing various reporting and implementation of Asset Management. An additional channel for delivering customer Invoices has been created through SMS which has made it possible for the organization to track the delivery of invoices in effective manner.

Your company has revamped its corporate website with a full-fledged customer dashboard and a content management tool. To keep employees abreast with the happenings in various geographies of the organization, corporate Intranet has been launched which has proved to be a delight for the employees.

Your company is fully sensitive to the continuous cyber threats and are continuously making efforts to put up various layers of security.

We are pleased to inform you further newer digital initiatives have been taken up and it is expected to implement them within the new financial year.

11. HUMAN RESOURCES

The COVID 19 crisis has changed the way of people connect at work and in life, we made employees well-being a top priority and a strategic focus area. We have re-evaluated our Procedures, Policies and Systems. We understand and protect the safety and health of our employees while ensuring business continuity. Our HR processes such as hiring, performance management, learning and development, employee engagement, employee well-being have been redesigned to create a differentiated employee experience.

Your company has focused on building capabilities and developing competencies of its employees. Your company has in place an attractive policy of performance linked incentive to encourage and reward employee performance. Your company acquired new rented fully furnished Office at Nashik GA to provide healthy work environment and culture to the employees.

MNGL has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. During FY 2021-22, the company had not received any complaints on sexual harassment.



We endeavored to maintain the Synergy of Work and celebrations through events such as Independence Day, Ganesh festival, Diwali, Navratri, Dussehra, Christmas, lunch arrangement on New Year Day, Republic Day etc. was celebrated with full zeal. Celebration of Women's Day, Organisation of Annual Sports event hosting variety of Sports such as Badminton, Chess, Carrom, Valley Ball, Table Tennis & Cricket with complete employee participation.

There was no Union, no strike or lock-out during the year under review.

12. HEALTH, SAFETY AND ENVIRONMENT (HSE)

"Safety" at MNGL is one of the core values and hence is given highest/ topmost priority. A well-defined safety management system is in place comprising of HSE Policy and Safety Management System (SMS). SMS is comprising of Safety Aspects right from the design stage to Construction, Commissioning, Operation and Maintenance, SOPs, Safety Leadership and Culture building. All the accidents including High Potential ones are studied and shared with Employees and Stakeholders for Learnings, corrective Actions and Preventive Actions. MNGL is building a Safety app for Work Permit System and Safety Training. MNGL has achieved record 15.7 million-man hours of incident free period.

In line with company's HSE Policy, MNGL has undergone important external statutory safety audits including ERDMP and T4S at all its Four GA's for adhering to PNGRB requirements and timely complied the raised observations. External audit conducted in line with DISH (Directorate of Industrial Safety and Health, Maharashtra) and complied all the raised points. Internal Safety Audit comprising of multi-disciplinary team carried out ISA of all the CNG Stations to inculcate safety in its CNG operations. Periodically surprise safety Audits to check the SOP implementation of Correct Filling is also done to avoid Mishaps.

Safety and Technical Competency (STC) training of fillers, compressor operators, supervisors are undertaken once in a year and as per requirement to adhere safety culture at site. In PNG Sector stress has been given to Work at Height (WAH) training. 168 nos of plumbers gone through the WAH training and live gas firefighting training through IFSDMS, Vadodara. The safety awareness of customers including PNG sites, industrial and commercial is undertaken through mobile training van. PNG and CNG Pamphlets are distributed, and radio jingles are aired to increase public awareness. Encouraging the employees to report the Near miss and best employee is awarded. A total of 620 training to 3867 manpower was achieved during the financial year. Due to rapid increase in urban improvement works daily excavations around the city gas pipeline have increased. On an average 175 excavations sites are daily monitored to avoid Third Party Damages. 250 JCB operators digging for various other utilities are given safety briefing to avoid accidental damage of MNGL laid Pipeline. These methods and efforts have helped in reducing the no. of accidents and improved HSE record.

11 no. of Mock drills including offsite mock drills were conducted to bolster the emergency response through the 8 emergency teams strategically located across the GA's. "No STC, NO work" has been implemented by the PNG sites to avoid Accidents during Last mile Connectivity. First Aid, Eye check-up, DDT (Defensive Driving Training) training for LCV driver and Firefighting training including evacuation drill was organized during National Safety Week, 2022 to prepare corporate employees for facing any untoward emergency. Safety Briefings post incidents are given to all the concerned persons including contractual workers to learn from the incidents. A safety Culture of understanding and atmosphere of learning is being created. Your company is active member of National Safety Council and British Safety Council.

Hazard identification and risk assessment is taught to each and every field employee to reduce any unsafe act. HAZOP – QRA and onsite emergency plan of all the CNG stations are prepared to comply with statutory requirement and to increase emergency preparedness. Management of Change at Sites are being monitored and Non-Routine Operations are undertaken in presence of multi-disciplinary team comprising of Projects, F&S and O& M departments. State of the Art Master control rooms at Shivajinagar is operating round the clock. Overall safety record of company has improved despite adding huge amount of infrastructure and new GA's.

13. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a part of its initiatives under Corporate Social Responsibility (CSR), Maharashtra Natural Gas limited has been taken responsibility since 2014 to make a difference to the community by its philanthropic activities like Education, Skill Development, Health, Infrastructure Development, Community (Slum Area) Development, Drinking Water, etc. In the FY 2021-22 MNGL has undertaken projects mainly in the areas of Education, Health, Women Empowerment, Environmental Sustainability, Slum Area Development & for the benefit of Armed Forces Veterans. The projects are in accordance with Schedule VII of the Companies Act, 2013.

In the FY 2021-22 MNGL not only took up the wide range of projects but also successfully reach to the different strata of the society and made a difference in the lives of more than 35619 beneficiaries from deprived class of the society through various programs in the field of health & education. On the background of COVID 19 MNGL distributed Oxygen Concentrators as well as Immunity booster medicines to the society through implementation partners. MNGL also implements its CSR activities through funding equipment's to the Government hospitals, helping schools to modify their infrastructure, funded different necessary equipment's to the goshala at Nashik, Mobile (Cancer Care/ Pathology) Van to one of the foundations & also taken one step forward to make environment greener by undertaking CSR project to plant 1000 trees in Pune at Dive Village.

Under health category MNGL has successfully reached to the total 27,388 no. of beneficiaries through various CSR projects



which includes health camps & daily OPDs.

Through Skill Development program & Adolescent Development program we reached up to the 5188 beneficiaries

Projects Implemented in the FY 2021-22 by MNGL:

Education:

MNGL strongly believes that Education is the most effective tool and medium for human development. Education changes the mindset through a continuous process involving, research, experiment, and innovation. Without such practices a nation cannot expect the future citizens of its country to be informed and creative. Hence this FY 2021-22, MNGL made a difference in lives of adolescent children through Step-Up Foundation, NGO who initiated to run health education & care program for which they propose to develop Adolescent Health care centre which provided integrated services for adolescents, which helped them to resolve many issues related to their health. **Step Up foundation** mainly focused to develop Adolescent health care centre in the slums from the community so



Step Up Foundation : Distribution of Sanitary Napkin

that youth can easily get access to the centre to avail the various facilities provided by the NGO. This NGO did detailed intervention to identify the adolescents especially who are involved in addiction & did the therapeutic intervention with them with the help of Medication & supportive therapy. They also provided the nutritional supplements for all the beneficiaries to spread awareness on the importance of the essential nutrients for human body and consequences of deficiency, also distributed sanitary Napkins to the girls to help them understand the unavoidable part of health & hygiene. This remarkable intervention helped us understand the difference made into the lives of the deprived strata of the society and simultaneously we have a satisfaction that we have been the part of this cause MNGL funded for the execution of the project for empowerment of 1000 stakeholders from different fields about learning difficulties in students to implementation partner **Dr. Shanta Vaidya Memorial Foundation, Maitra in Pune.**



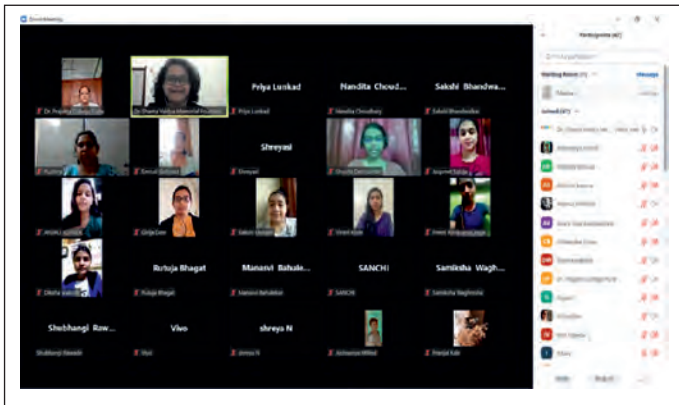
Step Up Foundation : Distribution of Iron Folic & Vitamin Supplements



Step Up Foundation : Health Checkup

The program was targeted to reach 1000 stakeholders in the field of learning difficulties through online sessions. These stakeholders are School Teachers, Principles, Managing Committee Members, Parents, Mental health Professionals, Pediatricians, Occupational Therapists etc. The program focused to create awareness about Specific Learning Disability (SLD) & early identification of the same in the ecosystem. As per the reports of International Dyslexia Association, around 10-15% of all school going children have some form of dyslexia. This issue of learning difficulty goes undetected in the early years of schooling. Though parents & teachers are largely aware of the problem the child is facing, they are unable to pin-point or deal with it. This issue when not handled at early stage, the child starts withdrawing & show signs of depression, poor self-image & low self-esteem. They may also start showing behavioral problems not only at home but also in school. It can also lead to psychological issue like anger, anxiety, depression, frustration etc., which will lead to destruction in self & family environment. The training provided to deal dyslexic related issue and specific learning disabilities sessions conducted on holistic approach of teaching, development of language & mathematical skills, better classroom management etc.





Dr. Shanta Vaidya Memorial Foundation, Maitra : Online Session

MNGL contributed to the NGO partner **Dhruv Educational and Research Foundation for conducting education for special students**. Dhruv Educational and Research Foundation is a registered section 8 company working towards inclusive education to cater 22 disabilities of special students which includes Blindness, Low vision, Leprosy Cured Persons, Hearing Impairment- deaf and hard of hearing, Locomotors Disability, Dwarfism, Intellectual disability, Mental Illness, Autism Spectrum Disorder, Cerebral Palsy, Muscular Dystrophy, Chronic Neurological Conditions, Specific Learning Disabilities, Multiple Sclerosis, Speech & Language Disability, Thalassemia, Haemophilia, Sickle Cell Disease, Multiple Disabilities, Acid Attack Victim & Parkinson's disease for the last 8 years in Pune and some districts of Maharashtra.



Dhruv Educational : Training to Special Students

It is observed that right from the school age, there are students, in every school, who need special attention. There are also some students having special abilities, who need not to go to any special schools. Special attention needs to be given to them from early stage of life so that their self being is nurtured. Considering this fact, the NGO partner Dhruv foundation is working on the five main areas of education for special students: Behavioural counselling of students and parental counselling Workshops, seminars, trainings for students & teachers Career guidance, counselling, and aptitude testing etc.

Health: Health is a fundamental right to every individual. The right to health for all people means that everyone should have access to the health services they need, when and where they need them, without suffering financial hardship. No one should get sick and die just because they are poor, or because they cannot access the health services they need. MNGL is taking continuous efforts to provide the better health facilities to the deprived strata of the community through health camps and daily OPDs conducted by our NGO partners. This year MNGL successfully reached to the 3250 beneficiaries in Pune & Dhule through health camps arranged by NGO partners **Vision India Foundation & ZHEP Bahuudeshiya Samajik Vikas Sanstha**.

Vision India Foundation conducted health camps for auto rickshaw drivers at 5 CNG stations of MNGL in Pune with successfully reach to the 1250 beneficiaries.



Vision India Foundation : Health Camp at Pune



Vision India Foundation : Health Camp at Pune



Zhep Bahuudeshiya Samajik Sanstha: Conducted Health Camps at Dhule for Auto Rickshaw drivers and successfully reached to the 2000 beneficiaries.



Zhep Bahuudeshiya Samajik Sanstha : Health camp at Dhule



Zhep Bahuudeshiya Samajik Sanstha : Health camp at Dhule

On the background of increasing Covid-19 patients in Pune MNGL Contributed to distribute Ayurvedic Kadha Mix 30,000 packets, each 100gms as preventive measures Ayurvedic Medicine for common population living in Pune through implementation partner **Shrushti Foundation** to prevent the spread of infection of Covid-19. This foundation has arranged various health check-up camps & awareness programs in slums & villages in Pune. In the tough times of Covid-19 this foundation has distributed masks, sanitizers & food in the low economic areas.

Environment: Environmental sustainability is the responsibility to conserve natural resources and protect global ecosystems to support health and wellbeing, now and in the future. MNGL working as a gas industry aware of the changes happening in the environment and ensuring environmental sustainability and ecological balance as its ethical responsibility. MNGL taking strong steps towards it through our implementing partners Back 2 Village & Vayam and assuring that correct practices should be done for the sustainable development in the communities for the long term. Back 2 village is working in the villages “Wajeghar” & “Pal” of a Velhe Block. This project is mainly working in the natural farming, preservation of flora & fauna & employment generation. Goal of this project is to increase farmers income by giving them training on seed production and seed technology. For the same total 50 farmers from respective villages based on their skills, experience will be selected. Special focus will be given on the production of the quality seed, processing and packing of the seed along with end-to end support, value addition & market linkages will be provided. Through which farmers income will increase & so that migration rate will be reduce in a positive way. Also, natural farming will help to increase the texture of the soil which is very essential to sustain ecological balance for the future.



Back 2 Village : Distribution of Seeds to the farmers

Our 2nd NGO partner is **Vayam**, who is working in a Nashik district for forest conservation & traditional biodiversity knowledge documentation by forest dwelling people. This project is mainly focuses on study of forest and water resources and preparation of a biodiversity document with traditional knowledge inputs by villagers. It also focused on: Natural regeneration, wild edible plants conservation activities. These activities trigger a broader conservation perspective in people. The biodiversity document of each village when discussed by a village Gram Sabha, shall culminate into a natural resource's conservation plan.





Vayam : Seed segregation activity



Vayam : Gram Sabha in Bormal, Trimbak Tal.

MNGL contributed to conduct Tree Plantation Drive by **Sankalp Taru Foundation** in Pune Under CSR initiative. Sankalp Taru Foundation is a 9-year-old IT enabled NGO, planting trees from the majestic mountains of Leh Ladakh to the coasts of Tamil Nadu and Sundarbans of West Bengal. Operational across 25 Indian states, they have planted and survived around more than 25,00,000 trees. The NGO is dedicated towards the sustainable development of the planet, and promote rural livelihood, empowering women and making schools cleaner and greener. The current pandemic taught us that the environment is seriously affected & have us made realized the value of oxygen, which could have been easily sustainable by planting more and more trees. To stand with & take forward the MNGL's slogan of "Dedicated to Cleaner & Greener Environment" & as its social responsibility towards Pune City, it is proposed to carry out a tree plantation drive. The plantation will include 1000 saplings of minimum 3 feet each with a choice of trees like Imli, Jamun, mango, Guava, Arjun, Banyan, Jackfruit which are favorable for the climate of Pune. This plantation proposed to be conducted at Dive Village, Pune

Community Development/ Slum Area Development: Community development (including Slum Area Development) is a process where community members are supported by agencies to identify

and take collective action on issues which are important to them. Community development empowers community members and creates stronger and more connected communities. By Developing Communities, we mean to provide proper Education, awareness on Health and providing health related facilities & improving a financial wellbeing of the individual. **Tapasya, Seva Arogya & Swanand Jankalyan Pratishthan** are our three NGO partners working at various Locations of Pune with the aim of to improve the Conditions of the slum areas by the interventions through different projects.

Tapasya Pratishthan is one of the implementation partners mainly focus on Education & health related services and consecutively working with MNGL for second year. They designed a Maternal Health awareness and child development program for the project called "Project Sakhi".

This project was divided into two parts. Firstly, as Maternal health Care for 350 women and second as Child health care for 350 children. This project implemented at Janta vasahat, Jai Bhawani, Pan Mala slum areas in Sinhagad road of Pune. For Maternal health they provided yoga sessions to enhance their emotional & physical strength, diet related information, distribution of nutritional packets, distribution & awareness about the details in "Garbhsanskar Book". Along with that this NGO also provided support to the mother to get benefits of government financial schemes.



Tapasya : Distribution of nutritional supplements

For Child Development program, the NGO targeted 350 children of the slums between 3-6 yrs & provided them with basic education like letters, numbers, shapes, colours & imparting social values. The total project tenure was the six months.





Tapasya : Art and craft activity with students

Swanand Jankalyan Pratishthan: is an NGO working in the field of Education, Health, Women Empowerment etc. in slums of Pune city particularly in Sinhagad, Warje & Kothrud area. The aim is an overall development of children and residents living in slum area. As we all know "Today's youth are the pillars of tomorrow's world". The young have the potential to make great change in the world. They conducted Samrudhii prakalp with the help of MNGL. Under this program this NGO not only successfully reached to the critical age group of the population which are children and Youths but also made a positive change in their lives through their integrated approach. Swanand Jankalyan Pratishthan conducted:

- **Bal Samrudhhi Varg** to develop core values, self esteem through regular meetings, strong intervention and education program and moral support to all the children. Total number of beneficiaries covered are 1098.



Swanand : Bal Samrudhhi Varg

- **Kishor Darpan varg** to conduct empowerment sessions on every Sunday including qualities of leadership, team building, communication & presentation skills. Total number of students were 200.



Swanand : Kishor Darpan varg

- **Smart Abhyasika** is provided to give education through ICT Technology, for the one who cannot access online mode of education. The students were taught concepts of their curriculum through animated content, graphics & videos to make education simpler and enjoyable. Total 900 students availed this facility.



Swanand : Smart Abhyasika





Swanand : Smart Abhyasika

- Naipunya Varg** is a special Skill Development program where all these talented 40 children from 8th to 10th class were selected. Career guidance as well as Physical & intellectual programs are designed for them. Total 40 students were part of this varg. Teacher's training were given to the 60 teachers to conduct all these varg.



Swanand : Naipunya Varg



Swanand : Naipunya Varg

Seva Arogya Foundation: working with the aim to improve the health status of underprivilege people living in slums of Pune by conducting Dispensary & Health Check Up camps for them through Arogyavardhan Project & Adolescent Development Program under Ghe Bharari project at Kothrud & karve Nagar in Pune area.

Arogya Vardhan Project mainly includes OPDs, Conducting Health Surveys, to study the health status, weekly dispensaries for Primary health care, health check-up camps, coordination with the hospitals for the people living in the slum areas.



Seva Arogya Foundation : OPD



Ghe Bharari (Adolescent Development Program) program focused on Comprehensive development of the students through various activities like prayers, games, Newspaper, reading, educational trips, workshops etc. Under this project Seva Arogya Foundation Started one new “ Sangati Program” where 14 underprivilege students were selected who are not able to pursue further studies due to weak financial conditions of the family. All the educational expense were taken care by the NGO including school/college fees, books, notebooks, tuition fees, hobby classes, smart phones with internet connection & counselling sessions for entire academic year.



Seva Arogya Foundation : Ghe Bharari

Skill Development: Skill development is a key to improve employability and income-earning opportunities for women and for enhancing sustainable rural development and livelihoods. Social outcomes are reflected in indicators of income inequality and poverty. MNGL has taken initiative to conduct skill development activities through implementation partner **Pruthvisangram Gramvikas Sanstha in Sindhudurga and Sarasvati mandir Sanstha, Pune.**



Pruthvisangram : Leaf plates making training at Sindhudurg

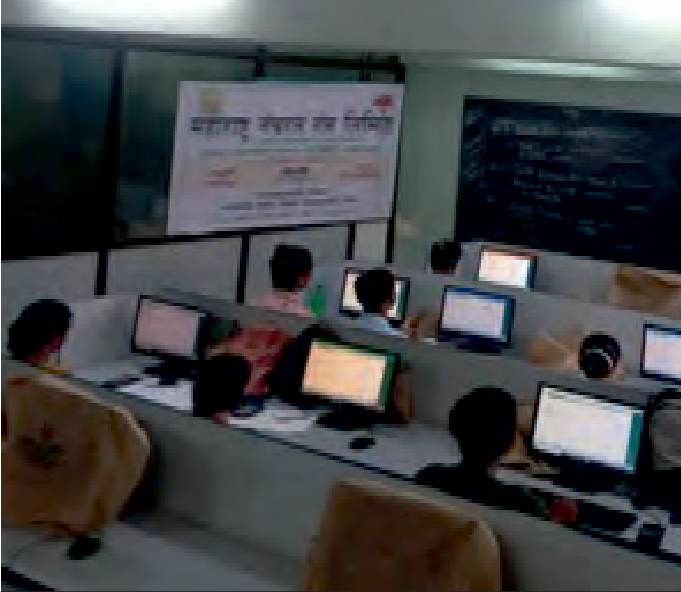
Pruthvisangram Gramvikas Sanstha basically works in the areas of sanitation, women empowerment, environment, agriculture & water. Their mission is to create opportunities of self-employment through effective use of local resources & available technology to the underprivilege people of the rural areas which will help them attain sustainable livelihood. Pruthvisangram conducted skill development program for making of biodegradable leaf plates for women in Sindhudurga. Through this project MNGL nailing three things simultaneously- one is providing skill development trainings to the women in village, secondly by providing this training women empowerment is done & third is training for biodegradable leaf plates making indirectly helps environmental sustainability.



Pruthvisangram : Leaf plates making training at Sindhudurg



Sarasvati Mandir Sanstha is a 100-year-old organisation working for providing education to the neediest students from the weaker section of the society. They run 2-night High Schools, 2-night Jr. Colleges & 1 Night Senior College. In the year 2016 Sarasvati Mandir Sanstha started Sarasvati Mandir Skill Development centre. Since last 4 years they have started skill development program. Presently they have registered as Vocational Training providers with MSSDS (Maharashtra State Skill Development Society). Sarasvati Mandir Sanstha is approved training partners of NSDC (National Skill Development Corporation) for non-funded courses. Till date they have trained more than 500 students for various job roles. MNGL contributed for this skill development program which includes Beauty therapist, Basic Tally with GST & Helper electrician. In this program this Sanstha is providing trainings to the students at their night school as well as unemployed, unskilled & underprivilige section of the society.



Sarasvati Mandir Sanstha

Contribution for funding Equipment:

MNGL Contributed Electromechanical Operation Theatre Table to the Sassoon Hospital, Pune. Motive behind this kind contribution to this hospital is to reach the maximum population from the deprived strata of the society & being a government hospital Sassoon Hospital provides all the treatments free of cost



Sassoon Hospital : Electromechanical OT Table

RSS Jankalyan Samiti, Pune works with the vision to build a safe and disaster resilient society and this is done by taking the responsibility to provide advanced medical facilities and affordable education facilities to the needy people without profit. MNGL Contributed to fund 50 Oxygen Cylinders to RSS Jankalyan Samiti, Pune to distribute to its 6 COVID-Care Centres.

Bharatiya Sanskruti Darshan Trust (BSDT), Pune is a public charitable trust and a Cancer research Centre. Till date institution have treated more than 12000 cancer patients suffering from various types of cancer at various stages with Surgery, chemotherapy, radiotherapy along with complementary Ayurvedic Treatment. MNGL contributed for purchasing Mammography Machine to detect the patients suffering with breast cancer.



Bharatiya Sanskruti Darshan Trust : Mammography machine



Pune Marathi Granthalay: is a 109-year-old Library in Pune and has more than 2,00,000 books. The number of books increasing every year. They are facing problem accommodating such huge number of books in a limited area. MNGL contributed 3 mobile compactors.



Pune Marathi Granthalay : Mobile Compactors

Samarth Yuva Foundation: Samarth Yuva Foundation is a leading volunteer-based foundation in Pune since 2016. The foundation provides free medical and dental care, mental health services and health education classes to low income, uninsured residents of Pune and the surrounding metropolitan area.

The foundation is already started taking efforts to solve problems of cancer detection pathology health care services, but they couldn't reach the slum areas due to a few infrastructural barriers. MNGL contributed Mobile (Cancer Care/ Pathology) Van to this foundation to reach to the maximum needy people. Their technology driven telemedicine clinics take healthcare to remote areas and make it easily accessible and affordable to the people in need. With the help of this van this foundation will reach to the maximum people in need in a short span of time.

Shrushti Foundation Charitable Trust has been working towards helping people in various ways since 2018. We aim to provide information and importance about healthcare and social awareness in the society by conducting various activities and programs striving towards better healthcare for the people of lower socio-economic background. MNGL contributed

Bramhachari Someshwar Chaitanya Kalyankari sanstha (BSCKS) is a Public Charitable Trust established in 2013 at Nashik. The gaushala was started in 2011 by this sanstha and was registered under the trust in 2013 along with the bye laws and other required government compliances. In the span of 9 years, this sanstha catered 265- 270 cows mostly consisting local Indian breeds. In their existing gaushala most of the cows are non-milk providing, old cows, diseased cows, which are of no use to animal husbandry. Fodder to the cows is home grown in their land or are purchased. The medical facility needed to the cows are also provided at the expense of the trust. All these cows are kept at goshala for their preservation and saved from the slaughterhouses.

MNGL contributed 65KV Generator, 5HP Solar Pump, Biogas Plant, Water Purifier Plant to this Sanstha for their Goshala.

MNGL contributed for School Development project to the **Dnyanjyoti Shaikshnik & Sanskrutik Sanstha Pune**. It started a pre-primary school "Dnyanjyoti Vidya Mandir" in the year 2002 for economically backward people. The Dnyanjyoti Vidya Mandir was associated with MNGL in FY- 2019-2020 when MNGL through CSR has contributed equipment for the school such as computer for computer lab, Study tables and benches for the classroom. This FY 2021-22 MNGL contributed for School Development Project including Colouring-painting for school classrooms & school building, Educational Painting, Aluminium Partition & Sliding window for cultural Hall, Requirement of Musical Instruments such as Harmonium, Tabla, Guitar etc.



Dnyanjyoti Shaikshnik & Sanskrutik Sanstha Pune : Educational Painting at school



14. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 is appended as Annexure "A"

15. PARTICULARS OF EMPLOYEES

No employee was in receipt of remuneration exceeding the limits set out under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under clause (c) of sub-section (3) of section 134 of Companies Act, 2013, directors, to the best of their knowledge and belief state that:

- A. In the preparation of Annual Accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed;
- B. The Directors had selected such accounting policies and applied them consistently except where otherwise stated in the Notes to Accounts and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- C. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the asset of the Company and for preventing and detecting fraud and other irregularities; and
- D. The Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2022 on a going concern basis.
- E. The Directors have laid down internal financial control to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DIRECTORS

Shri S. Halder was ceased to be the Managing Director of the company w.e.f. 5th April, 2021 on his repatriation to the parent company i.e. GAIL. Subsequently, on receipt of nomination from GAIL, Shri Deepak Sawant was appointed as Managing Director of your company w.e.f. 6th April, 2021 by the Board at its 91st Board Meeting held on 21st May, 2021. The shareholder's approval for this appointment has been granted at the 15th Annual General Meeting held on 28th September, 2021.

Shri Amit Garg, Nominee Director of IGL, has resigned on 1st December, 2021 from the Board of MNGL. Subsequently, on receipt of nomination from IGL, the Board approved the appointment of Shri Pawan Kumar as an Additional Director on the Board of MNGL w.e.f. 4th December, 2021 in place of Shri Amit Garg. The same shall be regularized as Nominee Director on approval of the Shareholders at the ensuing 16th Annual General Meeting.

Shri Sanjay Kumar, Nominee Director & Chairman of the Board of MNGL nominated by GAIL, has resigned on 22nd March, 2022. On receipt of nomination from GAIL, Shri Deepak Gupta, Director (Projects), GAIL has been appointed as Director & Chairman on the Board of MNGL w.e.f. 25th March, 2022. The same shall be approved by the Shareholders at the ensuing 16th Annual General Meeting.

Shri A.K. Jana, Nominee Director from IGL on the Board of MNGL, has been repatriated to the parent company GAIL resulting into the cessation of his directorship in IGL and therefore in MNGL as well from 25th March, 2022. The nomination received from IGL and accordingly the Board appointed Shri Sanjay Kumar as Director on the Board of MNGL w.e.f. 25th March, 2022 in place of Shri A. K. Jana and the same shall be regularized as Nominee Director on approval of the shareholders in the ensuing 16th Annual general Meeting.

The Board takes this opportunity to place on record its appreciation for valuable contribution made by Shri S. Halder, Shri A.K. Jana and Shri Amit Garg during their tenure as Directors of the company.

In terms of Section 152 of the Companies Act, 2013, there is no any director who is liable to retired by rotation.

17. DEPOSITS

During the Financial Year 2021-22, your company has not accepted any deposit within the meaning of section 73 and 74 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

18. CORPORATE GOVERNANCE

Corporate governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. It is imperative that Company's affairs are managed in a fair and transparent manner. Therefore, at MNGL we follow the best practices of Corporate Governance Board of Directors are at the core of our Corporate Governance and oversees how the Management serves and protects the long term interest of the Stakeholders.

18.1 AUDITORS:

• Statutory Auditors & Audit Report

The Statutory Auditors of your Company is appointed by the



Comptroller & Auditor General of India (C&AG). M/s SUNSVG & Associates, Chartered Accountants were appointed as the Statutory Auditors for the Financial Year 2021-22.

The Statutory Auditors have been paid a remuneration of Rs.14,33,700/- towards audit fee. The fees include charges of Rs.30,000/- each for 2 quarters i.e. Sept. 21 & Dec. 21 for providing limited review and out of pocket expenses of Rs.50,000. The above fees are exclusive of applicable service tax. In addition, Rs.2,20,000 are also be paid to the Statutory Auditors for providing certification of Internal Financial Control (IFC). There were no any adverse comments by the Auditors. The Report given by the Statutory Auditors and the Comments of Comptroller & Auditor General of India (C&AG) on the financial statements for FY 2021-22 forms part of the Annual Report.

- **Cost Auditors**

The cost audit was conducted by the appointed Cost Auditors M/s. Dhananjay V. Joshi & Associates and the report for the financial year 2021-22, prepared & submitted by the Cost Auditors and there were no any adverse comments.

- **Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013, Your Company had appointed M/s. Rachana Kolte, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report confirming compliance by Practicing Company Secretary to applicable provisions of the Companies Act 2013 and other applicable laws forms part of the Annual Report.

18.2 EXTRACTS OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 shall be available on the Company's website.

18.3 RELATED PARTY TRANSACTIONS:

There is no material related party transactions made by the company which may have potential conflict with interest of the company at large hence AOC-2 is not enclosed with the Report.

18.4 NOMINATION AND REMUNERATION COMMITTEE AND COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION: {Section 178 (3) and 178 (4)}

The Nomination and Remuneration Committee plays significant role in determining qualification, positive attributes, independence of a director, remuneration to Directors, Key Managerial Personnel for their appointment. During the year besides assessing the performance of the Executive and non-Independent directors also played a significant role in framing HR policy, determining performance incentives to the employees, Revision of scales of the employees and

promotion of Managerial personnel.

The contents of Nomination & Remuneration Policy of MNGL are displayed on MNGL's website at:

<https://mngl.in/investors/investor-policies>

18.5 MANAGERIAL REMUNERATION AND SITTING FEES:

The Managing Director and Director (Commercial) are nominated by GAIL (India) Ltd. and Bharat Petroleum Corporation Ltd. respectively and the terms and conditions of their appointment including remuneration are advised by their parent organizations.

The Independent Directors and Non- Executive Nominee Directors are paid sitting fees of Rs.20,000/- per Board Meeting and Rs.10,000/- per committee meeting for attending the meetings. Total sitting fees paid during the financial year under review were Rs.17,70,000/.

The Non-Executive Directors do not hold any shares in the Company.

18.6 RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL ADEQUACY

During the financial year 2021-22 the Company has adhered to the Risk Management System including the Risk Policy & identification of the Risks and followed the laid down set of standards, processes and structure which enables to implement internal financial control across the organization and ensure the same are adequate and operating effectively.

The management of your company has understood and analyzed all the risks existing or proposed to exist in future and tries to mitigate the same in adherence to all the rules.

The contents of Risk Management Policy of MNGL are displayed on MNGL's website at:

<https://mngl.in/investors/investor-policies>

18.7 WHISTLE BLOWER POLICY AS A PART OF VIGIL MECHANISM:

The whistle blower policy of your Company has robust framework which encourages people to blow a whistle if they came across any act of breach of contract, negligence and manipulation of Company records, financial irregularity etc.

It provides a platform to the whistle blowers to come forward and raise their genuine concerns without any fear of retaliation and victimization. The Policy has been designed in such a way that it provides the protection & confidentiality to the whistle blower. The company has also set-up the Internal Audit department and the Head of the department is acting as the Vigilance Officer under the Whistle Blower Policy of the Company.

The company accepts the obligation to ensure that any



employee covered under this policy, who make a disclosure without malice and in good faith is protected from unfair treatment.

During the year under review, your company has not received any complaints against any employee or member of the organization under the Whistle Blower policy of the Company.

The contents of Whistle Blower Policy of MNGL are displayed on MNGL's website at:

<https://mngl.in/investors/investor-policies>

18.8 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

Your Company does not have any subsidiaries, Joint venture and Associate companies as on 31st March, 2022.

18.9 DISCLOSURES:

a. Board of Directors

As per the Articles of Association of the Company, one third strength of the Board of Directors is required to retire by rotation at the ensuing Annual General Meeting. In the FY 2021-22 there is no any director who is liable to retired by rotation.

During the year 2021-22, following **directors/Key Managerial Personnel were appointed on the Board of MNGL:**

Sr. No.	Date	Name of the KMP/ Director	Particulars
1.	06.04.2021	Shri Deepak Sawant (DIN: 07339381)	Appointed as Managing Director nominated by GAIL pursuant to Shareholder's agreement clause 5.6 & Sections 196 and 203 of the Companies Act, 2013, & rules made thereunder and pursuant to Article 142, 143 & 144 of the Articles of Association of the Company.
2.	04.12.2021	Shri Pawan Kumar (DIN: 09419599)	Appointed as Nominee Director representing IGL pursuant to Shareholder's agreement clause 5.2, Sections 149,151,152,161(3) & 161(4) of the Companies Act, 2013, & rules made thereunder and pursuant to Article 117 of the Articles of Association of the Company.
3.	25.03.2022	Shri Deepak Gupta (DIN: 09503339)	Appointed as an Additional Director & Chairman and to be appointed as Nominee Director on approval of shareholders, as nominated by GAIL, pursuant to Shareholder's agreement clause 5.6 & Sections 151,152,161(3) & 161(4) of the Companies Act, 2013, & rules made thereunder and pursuant to Article 117 of the Articles of Association of the Company.
4	25.03.2022	Shri Sanjay Kumar (DIN: 08346704)	Appointed as an Additional Director and to be appointed as Nominee Director on approval of shareholders, as nominated by IGL, pursuant to Shareholder's agreement clause 5.6 & Sections 151,152,161(3) & 161(4) of the Companies Act, 2013, & rules made thereunder and pursuant to Article 117 of the Articles of Association of the Company.
5	21.05.2021	Shri Sarathy M.K.	Appointed as Chief Financial Officer of the company



During the year, followings were **ceased to be the directors/Key Managerial Personnel** from the Board of MNGL:

Sr. No.	Date	Name of the KMP/ Director	Particulars
1	05.04.2021	Shri S. Halder (DIN: 08452845)	He ceased to be a Managing Director nominated by GAIL due to repatriation to parent company.
2	01.12.2021	Shri Amit Garg (DIN: 08515246)	He ceased to be a Nominee Director representing IGL due to resignation.
3	25.03.2022	Shri A. K. Jana (DIN: 03452799)	He ceased to be a Nominee Director representing IGL due to cessation of directorship in IGL and therefore in MNGL.
4	22.03.2022	Shri Sanjay Kumar (DIN: 08346704)	He ceased to be Chairman & Nominee Director nominated by GAIL, on resignation from directorship of MNGL.
5	20.05.2021	Shri Mayuresh Ganu	He ceased to be the Chief Financial Officer of the company.

The Board placed on record its deep appreciation for the valuable services rendered by outgoing Directors & Chief Financial Officer during their association with your Company.

None of the Directors are disqualified from being appointed as Directors in term of provisions of Companies Act, 2013.

b. Compositions:

The Company has Seven Directors on its Board comprising two Executive Directors Namely Managing Director and Director (Commercial), one Non-Executive & Independent Director and four Non-Executive Nominee Directors. The composition and category of Directors along with other Directorships as on March 31, 2022 are as under:

Sr.No.	Name of Directors	Executive/ Non-Executive/Independent	Directorship in other public / Private company
1	Shri Deepak Gupta (DIN: 09503339)	Chairman & Non-Executive Director (w.e.f. 25.03.2021)	GAIL (India) Ltd.
2	Shri Deepak Sawant (DIN: 07339381)	Managing Director	Nil
3	Shri Sanjay Sharma (DIN: 09025971)	Director (Commercial)	Nil
4	Shri Priyotosh Sharma (DIN: 08899227)	Nominee & Non-Executive Director	Nil
5	Shri Pawan Kumar (DIN: 09419599)	Nominee & Non-Executive Director (w.e.f. 04.12.2021)	Indraprastha Gas Ltd.
6	Shri Sanjay Kumar (DIN: 08346704)	Nominee & Non-Executive Director (w.e.f. 25.03.2021)	Indraprastha Gas Ltd.
7	Smt. Bageshree Manthalkar (DIN: 07914288)	Independent Director	BOW Horizon Pvt. Ltd.

c. Board Meetings:

Pursuant to the provisions of Section 173 of the Companies Act, 2013 and rules made thereunder, every Company shall hold a minimum of four meeting of its Board of Directors every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. During the Financial Year 2021-22, the Board met 13 times and the gap between two meetings did not exceed one hundred and twenty days. Details of meetings are provided in following table:



Sr. No.	Date of Meeting	Sr. No.	Date of Meeting
1	21/05/2021	8	08/11/2021
2	22/05/2021	9	25/11/2021
3	05/07/2021	10	04/12/2021
4	12/07/2021	11	20/12/2021
5	06/09/2021	12	03/01/2022
6	17/09/2021	13	15/03/2022
7	01/10/2021		

During the year under review, Directors' attendance in the Board Meetings are given below:

Sr.No.	Name of Directors	Executive/ Non-Executive/Independent	No. Of Meetings Held	No. of Meeting Attended	%
1.	Shri Sanjay Kumar (DIN: 08346704)	Nominee & Non-Executive Director	13	12	92.30
2.	Shri Deepak Sawant (DIN: 07339381)	Managing Director	13	13	100
3.	Shri Sanjay Sharma (DIN: 09025971)	Director (Commercial)	13	13	100
4.	Shri Priyotosh Sharma (DIN: 08899227)	Nominee & Non-Executive Director	13	13	100
5.	Shri A. K. Jana (DIN: 03452799)	Nominee & Non-Executive Director	13	12	92.30
6.	Shri Amit Garg (DIN:08515246)	Nominee & Non-Executive Director (till 01.12.2021)	*9	9	100
7.	Shri Pawan Kumar (DIN: 09419599)	Nominee & Non-Executive Director (w.e.f. 04.12.2021)	*4	3	75
8.	Smt. Bageshree Manthalkar (DIN: 07914288)	Independent Director	13	13	100

* No. of Board Meetings considered which were held during the tenure of the Directors

d. General Meeting

Details of Last Three Annual General Meetings held are as follows:

Sr.No.	No. of Meeting	Date of Meeting	Place of Meeting
1	13th AGM	16.09.2019	Amanora The Fern Hotels & Club, 1st Floor, Business Centre, Amanora Park Town, Amanora Magarpatta Road, Hadapsar, Pune – 411028.
2	14th AGM	18.09.2020	Through VC
3	15th AGM	28.09.2021	Through VC



Attendance of Directors in the last Annual General Meeting held on 28th September, 2021 is as under:

Sr.No.	Name of Directors	Executive/ Non-Executive/Independent	Attendance at the Meeting 28.09.2021
1.	Shri Sanjay Kumar	Chairman & Non-Executive Nominee Director	Yes
2.	Shri Deepak Sawant	Managing Director	Yes
3.	Shri Sanjay Sharma	Director (Commercial)	Yes
4.	Shri Priyotosh Sharma	Non-Executive Nominee Director	Yes
5.	Shri Amit Garg	Non-Executive Nominee Director	Yes
6.	Shri A. K. Jana	Non-Executive Nominee Director	Yes
7.	Smt. Bageshree Manthalkar	Independent Director	Yes

e. Key Managerial Personnel

Pursuant to Section 203, 196 & 197 of Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 following changes were taken place in case of following persons to act as Key Managerial Personnel (KMP) of the Company:-

1. Shri Deepak Sawant – Managing Director w.e.f. 06.04.2021
2. Shri S. Halder – Managing Director till 05.04.2021
3. Shri Mayuresh Ganu - Chief Financial Officer till 20.05.2021
4. Shri Sarathy M. K. - Chief Financial Officer w.e.f. 21.05.2021

f. Declaration of Independence

The Independent Director have submitted her disclosure to the Board that she fulfills all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify herself to be appointed as Independent Director under the provisions of the Companies Act, 2013 and the relevant rules.

In compliance of above provisions, the Board received the declaration from the Independent Director Smt. Bageshree Manthalkar confirming that she meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

18.10 Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee.

Your company has constituted the following committees as per the provision of Companies Act, 2013.

1. Audit Committee:

The Terms & Reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013. However, the formation of Audit Committee is not governed by the provision of section 177 due to exemption notification of MCA. As on 31st March, 2022, the Committee comprises of Smt. Bageshree Manthalkar, Independent Director as the Chairperson of the Committee; Shri Pawan Kumar, Non-executive Nominee Director, Shri Deepak Sawant, Managing Director and Shri Sanjay Sharma, Director (Commercial) as Members of the Audit Committee.

On 1st December 2021, Shri Amit Garg, Non-executive Nominee Director has resigned and ceased to be the member of the Audit Committee. Therefore, the Audit Committee was reconstituted in the Board Meeting held on 20th December 2021 and with the consent of new member, Shri Pawan Kumar, Non-executive Nominee Director become the member of the Audit Committee. The quorum for the meetings of the Committee is two Members. The members possess the requisite knowledge of Finance & Accounting for effective functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

Six meetings of the Audit Committee were held during the Financial Year 2021-22 on the following dates:

Sr.No.	Dates of Audit Committee Meeting	Sr.No.	Dates of Audit Committee Meeting
1	21.05.2021	4	09.07.2021
2	22.05.2021	5	25.08.2021
3	05.07.2021	6	17.12.2021



The no. of Audit Committee Meetings attended by the members of the Audit Committee in the F.Y. ended on 31.03.2022 are as follows:

Sr. No.	Name	Designation	No. of Meetings attended	%
1	Smt. Bageshree Manthalkar	Chairperson & Member (Independent Director)	6	100%
2	Shri Pawan Kumar	Member (Nominee Director) (w.e.f. 04.12.2021)	*1	100%
3	Shri Deepak Sawant	Member (Managing Director)	6	100%
4	Shri Sanjay Sharma	Member (Director(Commercial))	6	100%
5	Shri Amit Garg	Member (Nominee Director) (till 01.12.2021)	*5	100%

* No. of Meetings considered which were held during the tenure of the Directors

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (NRC) formulates and reviews policies related to remuneration/perquisites/incentives within the parameters of section 178 of the Companies Act, 2013. However, the formation of the Nomination & Remuneration Committee is not governed by the provision of section 178 due to exemption notification of MCA.

As on 31st March 2022, the Committee comprises of Smt. Bageshree Manthalkar, Independent Director as the Chairperson of the Committee; Shri Priyotosh Sharma, Non-Executive Nominee Director, Shri Deepak Sawant, Managing Director and Shri Sanjay Sharma Director (Commercial) as the Members.

The quorum for the meetings of the Committee is two Members. The Company Secretary acts as the Secretary to the NRC.

During the year 2021-22, Four meetings of the Nomination and Remuneration Committee were held as follows:

Sr. No.	Dates of NRC Committee Meeting	Sr. No.	Dates of NRC Committee Meeting
1.	21.05.2021	3.	04.12.2021
2.	03.09.2021	4.	03.01.2022

The no. of NRC Committee Meetings attended by the members of the NRC Committee in the F.Y. ended on 31.03.2021:

Sr. No.	Name	Designation	No. of Meetings attended	%
1	Smt. Bageshree Manthalkar	Chairperson & Member (Independent Director)	4	100%
2	Shri Priyotosh Sharma	Member (Nominee Director)	4	100%
3	Shri Deepak Sawant	Member (Managing Director)	4	100%
4	Shri Sanjay Sharma	Member (Director (Commercial))	4	100%

3. Corporate Social Responsibility Committee

The composition powers, role and terms of reference of CSR Committee are in accordance with the requirements mandated under section 135 of the Companies Act, 2013.

On 1st December 2021, Shri Amit Garg, Non-executive Nominee Director has resigned and ceased to be the member of the CSR Committee. Therefore, the CSR Committee was reconstituted in the Board Meeting held on 20th December 2021 and with the consent of new member, Shri Pawan Kumar, Non-executive Nominee Director become the member of the CSR Committee. The quorum for the meetings of the Committee is two Members. The Company Secretary acts as the Secretary to the CSR Committee.

During the year 2021-22, five meetings of the Corporate Social Responsibility Committee were held as follows to discuss on the various proposals:

Sr. No.	Dates of CSR Committee Meeting	Sr. No.	Dates of CSR Committee Meeting
1.	19.04.2021	4.	31.01.2022
2.	25.08.2021	5.	15.03.2022
3.	24.09.2021		



The no. of CSR Committee Meetings attended by the members of the CSR Committee in the F.Y. ended on 31.03.2022:

Sr. No.	Name	Designation	No. of Meetings attended	%
1	Smt. Bageshree Manthalkar	Chairperson & Member (Independent Director)	5	100
2	Shri Pawan Kumar	Member (Nominee Director)	*2	100
3	Shri Deepak Sawant	Member (Managing Director)	5	100
4	Shri Sanjay Sharma	Member (Director (Commercial))	5	100
5	Shri Amit Garg	Member (Nominee Director) (till 01.12.2021)	*3	100

* No. of Meetings considered which were held during the tenure of the Directors

18.11 MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and analysis forms part of this report at Annexure 'B'.

18.12 GENERAL:

1. SIGNIFICANT AND MATERIAL ORDER

There are no significant and material order passed by the Regulators or Courts or Tribunal impacting the going concern status and Company's operation in future.

2. OTHER MATERIAL CHANGES

Pursuant to Section 134(3)(l) and other applicable provisions of Companies Act, 2013, save as aforesaid in this report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e. 31st March, 2022 and as on the date of this report.

3. DISCLOSURE UNDER THE POLICY OF PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per requirement of The Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your company has constituted Internal Complaints Committee (ICC). During the year under review, no complaints with allegation of sexual harassment was received by the company.

18.13 SHAREHOLDING PATTERN AS ON 31ST MARCH, 2022

Shareholding Pattern of the Company as on 31st March, 2022 is as follows:

Sr. No.	Name of Shareholders	No of Equity Shares held @ ₹ 10/- each	% of Shares held
1	GAIL (India) Limited	2,24,99,996	22.49
2	Bharat Petroleum Corporation Limited	2,24,99,600	22.49
3	Bharat Petroleum Corp. Ltd. (jointly with individual)	100	0.01
4	Maharashtra Industrial Development Corporation (MIDC)	50,00,000	05.00
5	Indraprastha Gas Limited	5,00,00,000	50.00
6	Other (individual jointly with GAIL India Limited)	4	-
7	Others (Individuals)	300	0.01
Total		10,00,00,000	100%



19. ACKNOWLEDGEMENT

Your Directors express their gratitude to the Ministry of Petroleum and Natural Gas (MoPNG), Petroleum and Natural Gas Regulatory Board (PNGRB), Government of India, Government of Maharashtra, Government of Karnataka and local citizens for the continued guidance and support extended to the Company.

The Directors also acknowledge the support of all Statutory & Local Authorities, Bankers, Media, Station Operators & their employees, contractors, vendors and suppliers.

Your Directors acknowledge and are grateful for the guidelines received from Statutory Auditors and CAG.

Your Directors also acknowledge the patronage received from its promoters, GAIL (India) Limited, Bharat Petroleum Corporation Limited and dominant shareholder Indraprastha Gas Limited.

Your Directors place on record their deep appreciation towards its valued customers for their co-operation, patronage & support and look forward to the continuance of this relationship in future also.

Your Directors wish to express their gratitude to all the shareholders, contractors and suppliers for their continued trust and support.

Your Directors also sincerely thankful for the contributions made by all the employees of MNGL for their dedicated services to the Company.

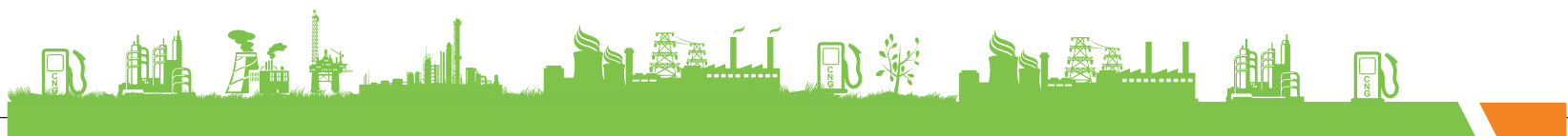
On behalf of the Board of Directors

For Maharashtra Natural Gas Limited

Sd/-
Sanjay Sharma
Director (Commercial)

Place: Pune
Date: 01.09.2022

Sd/-
Deepak Sawant
Managing Director



ANNEXURE- "A"

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO DURING 2021-22

A. CONSERVATION OF ENERGY

1. Company has taken various steps for conservation of energy at various operating Installations. This has resulted in savings and contributions to environmental Improvements. Some of the energy conservation schemes are given as under:
 - a. Installation of APFC at all MS, NRO have been completed. Installation of new APFC panels is in process for all DBS to conserve and provide stable electricity.
 - b. Introduction of fast filling of LCV thus saving approx. 30 minutes for each LCV filled at one filling point.
 - c. Implemented Double Stopple-link method for online steel line rerouting to avoid sales loss and gas loss due to venting of the entire stretch.
 - d. Completed Automation of 70 CNG stations along with 225 MRS so as to have single point control of all the operation related data.

B. TECHNOLOGY ABSORPTION:

A.Efforts made towards technology Absorption	<ol style="list-style-type: none"> 1. Complete Automation of entire MNG assets is completed for 70 CNG stations and 250 MRS. This will help in reducing time and effort required to monitor entire assets. 2. Introduced Fast Filling of LCV cascades to reduce filling time by 30 mins. Approx. for each LCV. 3. Carried out steel line diversion by using Double-Stopple Link method to avoid unnecessary gas loss and avoid sales loss.
B. Benefit derived as result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	<ol style="list-style-type: none"> 1. Cost reduction will happen after continued usage of Automation system by minimizing manpower for on field monitoring of assets. Historical sales data can be gathered and will be helpful in sales projection and gas allocation. 2. By using fast filling for LCV we can increase sales volume at our DBS by approx. 6000 KG/Day 3. Using Double Stopple-Link method we avoided around 1, 20, 000 KG sales loss for a span of 3 days, by keeping gas flow intact.
C. In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year), following information may be furnished: <ol style="list-style-type: none"> i. Technology imported ii. Year of import iii. Has technology been fully absorbed iv. If not absorbed, areas where this has not taken place, reason therefore & future plan of action 	Nil
D. The expenditure incurred on Research and Development	Nil



Other initiatives

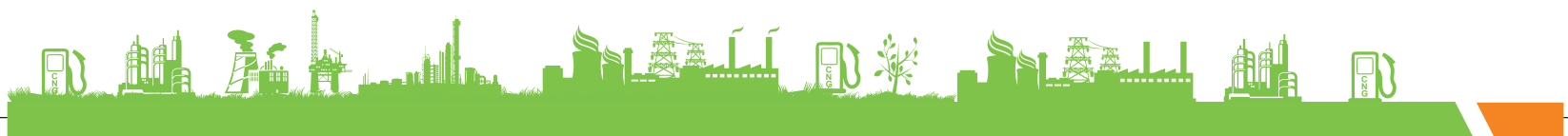
- LNG plant Commissioned at Nashik GA.
- IMS certification Completed.
- Network drawing through GIS of entire assets have been mapped for Pune GA.
- Manpower Optimization in forecourt operation resulted in savings of Rs. 22,83,789 for the FY 2021-22.
- Reduced O&M cost of Car and Bus dispensers for 51 no's through in-house maintenance by Rs. 89,10,000.
- Avoided Steel line re-routing by application of best engineering practices and hard negotiations with PMC and NHAI officials and resulted in cost savings of Rs. 5,84,00,000 approx.
- Encasing of Steel line and recovery from Maha Metro Rs. 40,00,000 approx.
- Savings against Lease rent invoice received from Irrigation department approx. Rs. 4,00,000.
- Maintained un-interrupted gas supply during Covid-19 Pandemic period.

C. FOREIGN EXCHANGE EARNING AND OUTGO

The Company is in retail distribution business of Natural Gas in Pune & its surrounding areas. Considering the area of operation and product of the Company, export related activities are not pertinent.

- During the year under review the foreign exchange earnings and outgo are given below:

Foreign Exchange earned in terms of actual inflows during the year	Nil
Foreign Exchange outgo during the year in terms of actual outflows	Nil



ANNEXURE- "B"

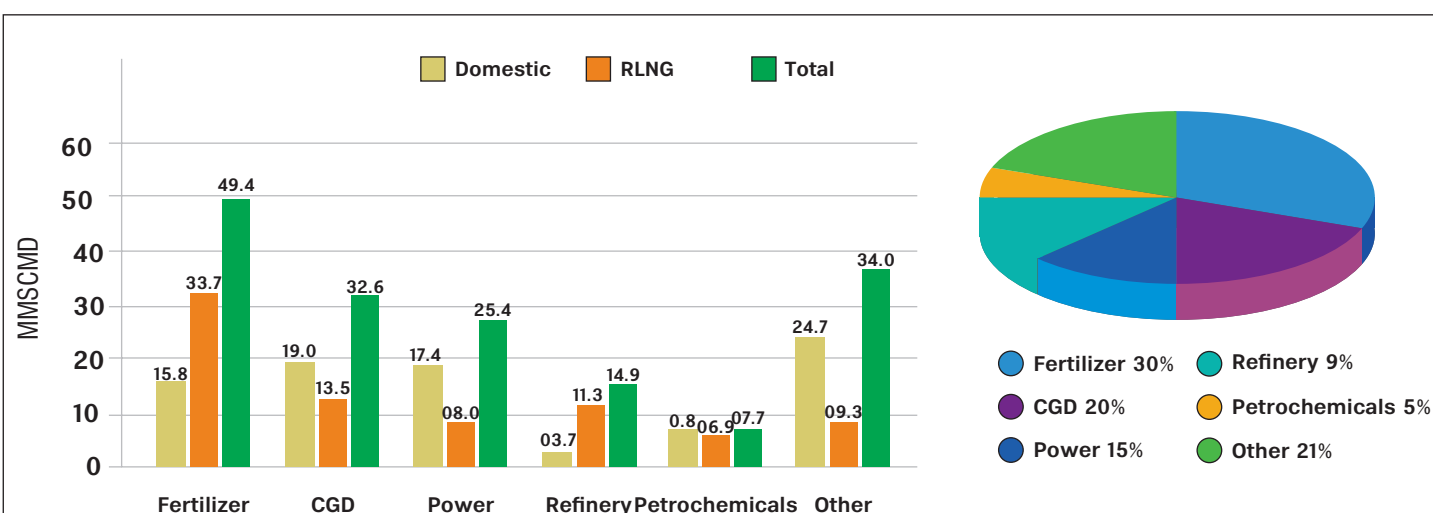
MANAGEMENT DISCUSSION AND ANALYSIS

A glance at the Indian gas market

Natural gas has countless applications. Of the lot, the fertiliser industry utilises 30 per cent of the country's annual consumption, followed by the CGD networks (20 per cent), power sector (15 per cent), refineries (9 per cent), the petrochemical industry (5 per cent) and various others (all of which cumulatively weigh in at 21 per cent).

Sector Wise Current Gas Consumption of Domestic and R-LNG

Total Qty. Consumption MMSCMD from April 2021 to January 2022



Source: PPAC Jan 22

- City gas distribution sector has been a reasonable growth since 218 after the completion of the 9th & 10th round of CGD bidding.
- CGD sector is the second largest (20%) consumer of Natural Gas after Fertilizer (30%) sector in the period of April 21st January 2022. CGD now has taken over 2nd position from power sector demand in April 21st January 2022. This is primarily due to government constant push towards developing piped gas infrastructure in country through various policy and regulatory frameworks.

The government has already made announcements of transitioning to a gas-based economy by increasing the share of natural gas in the energy mix from 6 per cent to 15 per cent by 2030.

With a population of 1.4 billion, India is a vibrant and a rapidly growing economy. As the third largest energy consumer in the world, and in a quest to achieve energy independence as well as lowering overall carbon emissions, the importance of increasing the share of natural gas in the energy mix is of significant importance to India.

As per the IEA Report, energy mix is dominated by coal and oil which together accounts for around 80 per cent of the total primary energy supply. Both these energy sources add to climate challenges. The natural gas is the cleanest available fossil fuel and to ensure that this relatively economical and clean energy fuel reaches consumers across the country, the government has set up 20,000 km of pipelines that are already operational, and an additional 15,000 km of new lines are

currently in various stages of completion. Once these pipelines are completed in the next two years, they will join the existing infrastructure, liquified natural gas (LNG) terminals on one side with rapidly expanding city gas distribution (CGD) grids, to help more than 90 per cent of the country's population in gaining access to natural gas.

Roadblocks facing the CGD sector:

a) Pricing mechanism

One major setback that the sector faces is in terms of pricing. Even amid continuous hike in international price of natural gas, India still relies on imports for more than 50% of its natural gas requirements. Another key issue faced by the country is in terms of gas supply. It is imperative to note that maintaining gas supply at a reasonable price is crucial, given the fact that the Indian market is price sensitive. Therefore, if the gas price goes up, the price for the customer cannot be increased, making it important for gas to be available at a stable price.



b) Network expansion

Petroleum and Natural Gas Regulatory Board (PNGRB) plays a key role for overall growth of CGD sector by bidding rounds and allocating areas, formulating regulations, monitoring, dispute settlements as well as setting safety standards. The 11th bidding round has been successful and most of the country has been covered, with allocation in rural areas as well, where the population is sparse and wherein network provision and expansion may not be very economical. Also, right of use is probably the single largest issue involved when it comes to implementation.

c) Electrical vehicles

India's city gas distribution (CGD) companies shall hit a roadblock. The enhanced policy support for the adoption of electric vehicles (EVs) may standstill the growth of the compressed natural gas (CNG) segment, which forms the largest volume of sales for CGD players. Government's policies in support of CNG shall be imbibed to reach the target of 15%.

Recent trends and developments

With the expansion of city gas distribution (CGD) network in the country the automation of forecourt operations is becoming the need of the hour. Forecourt operations include purchase, storage, sale, distribution, conversion and regasification of natural gas. All these operations require automation as CGD companies are now expanding their area coverage and need to ensure efficiency in their retail operations. The various forecourt activities that can be automated for the CGD sector include, gas purchase management, inventory management, sales collection and monitoring, distribution management monitoring, asset management and financial bookkeeping.

The forecourt application landscape in the CGD sector consists of inventory management system, asset management system, point of sale (POS) system, distribution management system, finance management system, supervisory control and data acquisition (SCADA), vehicle tracking system and CCTV system. All such systems must be integrated with a central system of the CGD company to derive the maximum benefits of automation.

The POS billing system is an emerging trend in managing the compressed natural gas (CNG) sales activity in the forecourt by CGD companies. The POS system also offers CGD players with the opportunity of carrying out promotional activities as it collates all the consumer data, making it easier to send promotional notifications. The deployment of this system is currently only possible in CNG stations established under the company owned company operated (COCO) model.

SCADA is also actively being introduced by CGD entities as it is a powerful hardware and software technology that assists companies in their day-to-day operations.

Alternative Business model in CGD : LNG

One of the major problems faced by CGD entities is gas pipeline connectivity. After the completion of 11th CGD bidding round many new geographical areas are awarded by PNGRB. However, the geographical areas awarded in 9th bidding round are still facing the gas pipeline connectivity problem. In order to find quick and cost-effective solution, CGD entities are exploring viable technologies/modules wherein natural gas can be brought to regions which are not connected by pipelines and can quickly start the gas distribution to residencies and fuelling stations.

In terms of policies, PNGRB has brought several changes in rules and regulations with regards to LNG transport, storage and CGD licensing applications which may boost utilisation of LNG.

This will help CGD operators to adopt the alternate options of LNG and this will satisfy their PNG commitment to households.

In 9th CGD bidding round, MNGL has been authorized for geographical area of Valsad (EAAA), Dhule and Nashik Districts. As mentioned above, the non-availability of pipeline connectivity was the issue in Nashik GA and therefore, MNGL has opted for virtual mode of LNG set-up to cater the demand in the said GA. MNGL has set-up the LNG/L-CNG facility at Parthardi, Nashik. The LNG is brought from Petronet LNG Terminal (PLL), Dahej, Gujarat through cryogenic road tankers.

It is only station in India with all the stream HP, MP, LP & CNG retail commissioned simultaneously. LNG facility consists of 2 nos. of LNG storage tanks of 114 KL each. Provision of additional 114 KL has also been made. Around 1,25,000 SCMD of natural gas can be supplied through the set-up.

The stored LNG is converted into gaseous form and feed into three streams as per gas demand.

This plant set-up is operated through SCADA system.

The benefits of setting up LNG plant in Nashik GA are:

- Source of domestic gas for catering to various segments
- Increase in volume
- Conversion of DBS to OLS





11th CGD Bidding Round:

The city gas distribution (CGD) sector aims to promote green fuel such as piped natural gas (PNG) for domestic and industrial consumption, and compressed natural gas (CNG) for the automobile industry. The sector has witnessed remarkable growth in the past few years.

One of the key objectives of the government is to transform India into a gas-based economy. To make natural gas available to the public, the government has been actively promoting the development of the CGD network by conducting bidding rounds.

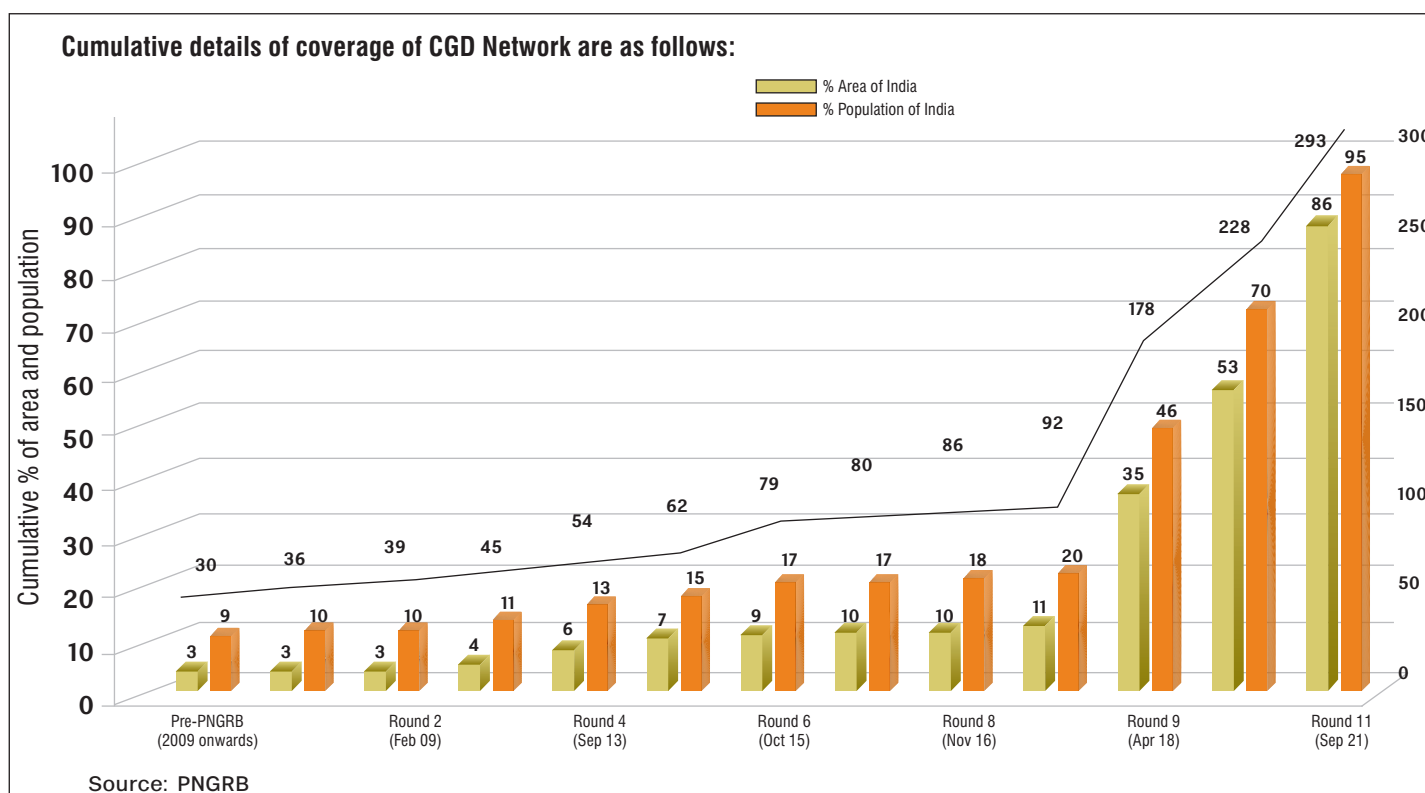
After the 10th bidding round, there are 228 GAs authorised by the PNGRB in 27 states and union territories (UTs). This covers approximately 53 per cent of the country's GA and 70 per cent of the cumulative population.

However, completion of 11th CGD bidding round, 298 geographical areas would be covered and to reach more than 90 per cent of the population and over 85 per cent of the country's area.



Important features of 11th CGD Bidding Round:

- Level playing field and easy eligibility criteria
- Performance Bank Guarantee capped at Rs. 50 Cr.
- Exemption from submitting Gas Supply Agreement (GSA)
- Exclusivity from purview of common carrier retained as 8 years (extendable up to 10 years for performers)
- Infrastructure exclusivity for 25 years continues
- Gas pipeline operator to provide connectivity to CGD network within 180/270 days.

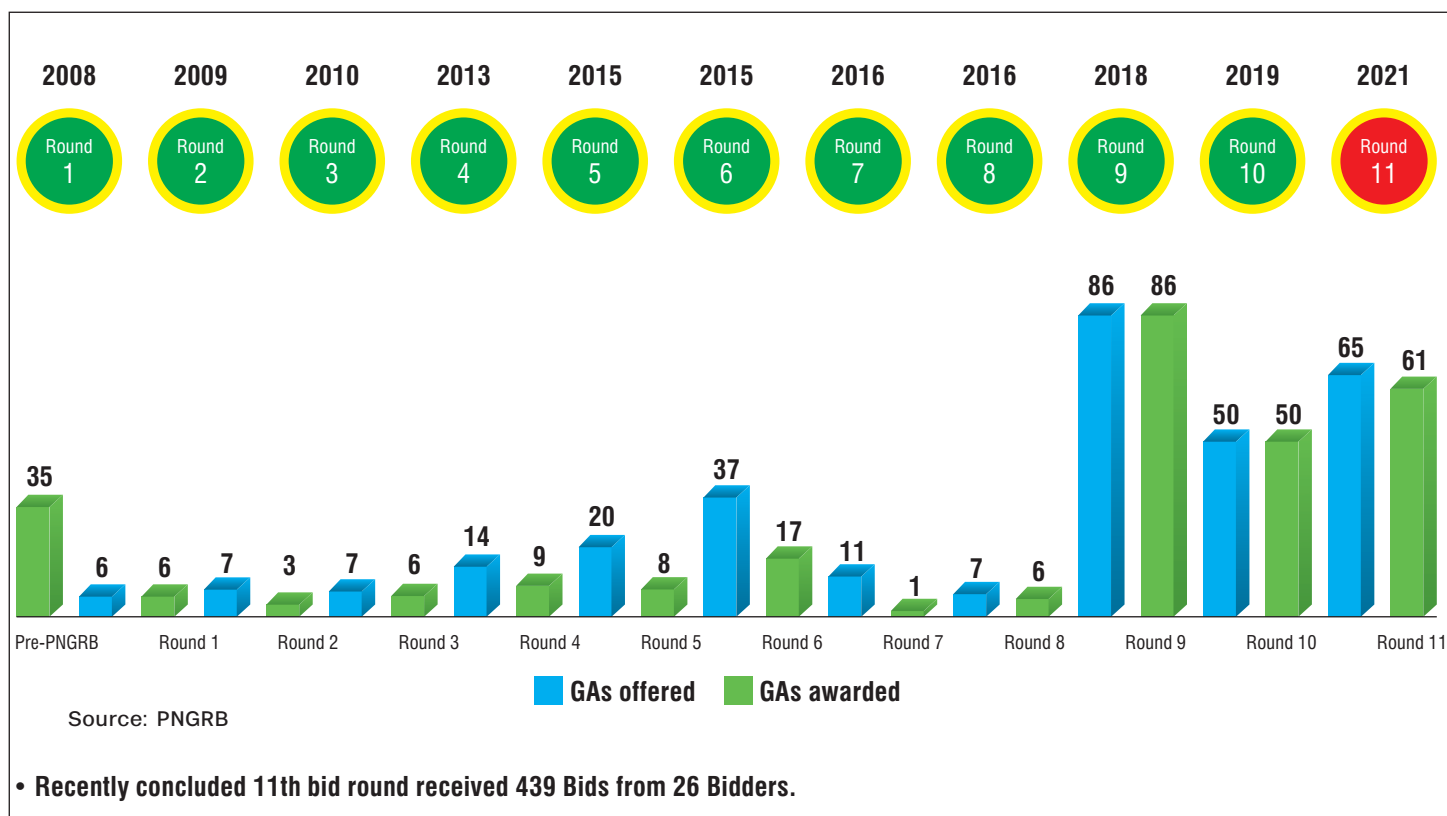


Coverage of Population of India and its Area till 10th CGD Bidding Round

CGD Authorizations	Geographical Area (GAs)		% Population of India		% Area of India	
	Standalone	Cumulative	Standalone	Cumulative	Standalone	Cumulative
Pre-PNGRB	30	30	9.28	9.28	2.95	2.95
Round 1 (Oct 08)	6	36	0.33	9.61	0.03	2.98
Round 2 (Feb 09)	3	39	0.23	9.84	0.03	3.01
Round 3 (Jul 10)	6	45	0.77	10.61	1.21	4.22
Round 4 (Sep 13)	9	54	2.27	12.88	1.29	5.51
Round 5 (Jan 15)	8	62	2.04	14.92	1.82	7.33
Round 6 (Oct 15)	17	79	2.07	16.99	2.02	9.35
Round 7 (Jun 16)	1	80	0.36	17.35	0.46	9.81
Round 8 (Nov 16)	6	86	0.94	18.29	0.57	10.38
Sec.42 (Mar 18)	6	92	1.57	19.86	0.61	10.99
Round 9 (Apr 18)	86	178	26.38	46.24	23.82	34.81
Round 10 (Nov 18)	50	228	24.23	70.47	17.92	52.73

Source: PNGRB





In order to further expand the reach of natural gas in the country, PNGRB conducts bidding round. The bidding round encourages entities for establishing CGD and covering the maximum areas for supplying natural gas in the form of CNG and PNG.

MNGL has secured two new geographical areas namely Buldana, Nanded and Parbhani districts in Maharashtra state and Nizamabad, Adilabad, Nirmal, Mancherla, Asifabad Kumurum Bheem and Kamareddy in Telangana State in 11th CGD bidding round. MNGL is spreading its wing in new boundaries and boosting up the awareness of natural gas to reach out to every end user to make a Green & Clean Environment.

National Gas Grid

- Govt. Vision: Increase share of natural gas in primary energy mix from current level of 6.7% to at least 15%
- One Nation One Grid - Creation of an integrated nationwide gas network, to improve clean energy access
- Expansion of gas pipeline network from current 18,700 Km to ~36,000 Km

Benefits

- Create new demand centers & facilitate green industrial corridors leading to employment generation
- Support CGD & increase use of CNG/ LNG in transport leading to reduction in urban pollution
- Drive the development of domestic gas fields including isolated and small fields.
- Promotes gas-based economy & increase pipeline connectivity and access across the country
- Energy Justice – Reduction of regional imbalance of gas availability

Future roadmap

The number of CNG stations is estimated to reach 10,000 from the existing 1,800 and the number of household kitchen connections is projected to reach 50 million by 2030. As the government places greater emphasis on raising the share of natural gas in the country's energy basket, it becomes increasingly critical to deploy digital technologies. The real-time monitoring and control of gas distribution equipment will help avoid challenging and hazardous situations such as leakage, thus enabling a safe environment for workers and also ensuring operational efficiency. Automation and digitalization can help CGD networks transform operational processes by harnessing data to create opportunities, while maximizing revenue and profitability.





CSR ACTIVITY

Inauguration of Therapy Equipment at ZEP Rehabilitation Centre, Pune



Inauguration of Health Camp for Auto Rickshaw Driver at Pune





CSR ACTIVITY

Handing over of Blood Donation Camp Vehicle to Jankalyan Raktapedi, Pune



ANNEXURE- "C"

1) Brief outline on CSR Policy of the Company.

As per MNGL's CSR policy, As prescribed in the Companies Act 2013, MNGL will spend 2% of the average net profit (calculated as per section 198 of the CA 2013) made by the Company during the three immediately preceding financial years. The thrust areas of the MNGL CSR are Education, Health, Skill development, community development etc.

2) Composition of CSR Committee:

Sr.No.	Name of Directors	Designation/ Nature of Directorship	No. Of Meetings of CSR Committee Held During the Year	No. Of Meetings of CSR Committee Attended During the Year
1	Smt. Bageshree Manthalkar	Chairperson	5	5
2	Shri. Pawan Kumar	Member		2*
3	Shri. Deepak Sawant	Member		5
4	Shri. Sanjay Sharma	Member		5

* No. of Meetings considered which were held during the tenure of the Directors

3) Provide the weblink where composition of CSR committee, CSR policy and CSR projects approved by board are disclosed on the website of the company.

CSR policy under modification, web link ; <https://www.mnpl.in/csr-activities/>

4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

As per rules, the MNGL does not required to appoint impact assessment Agency. However to follow better governance practices, impact assessment agency has been appointed in FY 2021-22.

5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

5.a) Not Applicable

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	N.A		
2	N.A		
3	N.A		
	TOTAL		

6) Average net profit of the company as per section 135(5): Rs. 244.4 Cr

7) (a) Two percent of average net profit of the company as per section 135(5): Rs. 4.88 Cr.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: 0

(c) Amount required to be set off for the financial year, If any: 0

(d) Total CSR obligation for the financial year (7a + 7b7c): Rs. 4.88 Cr.

8) (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,00,23,292/-	1,85,74,702/-	28/04/2022	Will be transferred before 30th September (to be decided in upcoming CSR meeting)		





(b) Details of CSR amount spent against ongoing projects for the financial year:

1 Sr. No.	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act.	4 Local area (Yes/No)	5 Location of the project		6 Project duration (months)	7 Amount allocated for the project (in Rs.)	8 Amount spent in the current financial year (in Rs.)	9 Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	10 Mode of Implementation Direct (Yes / No)	11 Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Contribution of Electro mechanical Operation Theatre Table to Sassoon hospital	(i)	Yes	Maharashtra	Pune	6	7,98,500/-	4,79,100/-	3,19,400/-	Yes	MNGL	CSR000003376
2	Empowerment of 1000 stakeholders including School Teachers, principals, managing committee Members, Parents, Mental health professionals, Paediatricians, occupational Therapists etc., about Learning Difficulties.	(ii)	Yes	Maharashtra	Pune	12	7,07,374/-	1,41,474/-	5,65,889/-	No	Dr. Shanta Vaidya Memorial Foundation	CSR000006203
3	Conducting inclusive education for Special Students	(ii)	Yes	Maharashtra	Pune	12	20,59,520/-	14,41,734/-	6,17,786/-	No	Dhruv Educational & Research Centre	CSR000001581
4	Contribution for Women's Rescue Project	(iii)	Yes	Maharashtra	Pune	12	10,00,000/-	67,200/-	9,32,800/-	No	Shehalay	CSR000001248
5	Preservation and promotion of desi seeds and plants in villages of Pune District	(iv)	Yes	Maharashtra	Pune	12	37,31,625/-	7,46,325/-	29,85,300/-	No	Back 2 village	CSR000006854
6	Forest conservation and traditional biodiversity knowledge documentation by forest dwelling people in Nashik District	(iv)	Yes	Maharashtra	Nashik	12	15,00,000/-	3,00,000/-	12,00,000/-	No	Vayam	CSR000008723



1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration (months)	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes / No)	Name	Mode of Implementation Through Implementing Agency
				State	District							CSR Registration number
7	Contribution for purchasing Oxygen Concentrators to Savitribai Phule Pune University in Covid-19 period	(i)	Yes	Maharashtra	Pune	6	27,82,500/-	9,98,917/-	17,82,500/-	Yes	MNGL	
8	Contribution for purchasing Mobile (cancer Care/ pathology) Van to Samarth Yuva Foundation	(i)	Yes	Maharashtra	Pune	12	68,77,067/-	55,01,654/-	13,75,413/-	Yes	MNGL	CSR00012614
9	Contribution for School Development project to Dnyanyoti Sanskritik Sanstha	(ii)	Yes	Maharashtra	Pune	12	5,41,310/-	3,41,566/-	1,99,744/-	Yes	MNGL	CSR00020192
10	Contribution for Skill Development project	(ii)	Yes	Maharashtra	Pune	12	5,00,000/-	0	5,00,000/-	No	Sarasvati Mandir Sanstha	CSR00014464
11	Contribution to provide Shelter, Care, Educational & Medical Aid to Family deprived children/ babies	(iii)	Yes	Maharashtra	Pune	12	15,42,000/-	0	15,42,000/-	No	Sofosh-Sreevatsa	CSR00003376
12	Contribution for purchasing Equipment's to Bramhachari Someshwar Chaitanya Kalyankari Sanstha (BSCKS) for their Goshala at Nashik	(i) & (iv)	Yes	Maharashtra	Pune	12	22,72,162/-	0	22,72,162/-	Yes	MNGL	CSR00012607
13	Contribution to conduct Tree Plantation Drive	(iv)	Yes	Maharashtra	Pune	12	5,00,000/-	0	5,00,000/-	No	Sankalp Taru Foundation	CSR00000590



1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration (months)	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes / No)	Name	Mode of Implementation Through Implementing Agency
				State	District							CSR Registration number
14	Contribution for Arogyavardhan & Ghe Bharari Programs (Health & Adolescents Development Programs) in the slum areas of karvenagar & Kothrud in Pune	(xi)	Yes	Maharashtra	Pune	6	25,00,000/-	17,50,000/-	7,50,000/-	No	Seva Arogya Foundation	CSR000000918
15	Conducting health camps for auto rickshaw drivers in Dhule	(i)	Yes	Maharashtra	Dhule	6	22,25,000/-	15,57,500/-	6,67,500/-	No	Zhep Bahuude -shiva Samajik Vikas Sanstha	CSR00011726
16	Contribution for Skill Development of underprivileged Women for making of Biodegradable Leaf Plates	(ii)	Yes	Maharashtra	Sindhudurg	6	8,03,250/-	5,62,275/-	2,40,975/-	No	Pruthvisan -gram Gramvikas Sanstha	CSR00010032
17	Contribution for conducting Samrudhhi Prakalp in the slum areas of Sinhgad Road in Pune	(Xi)	Yes	Maharashtra	Pune	6	14,86,800/-	10,40,760/-	4,46,040/-	No	Swanand Jankalyan Prathistan	CSR00001007
	TOTAL							1,49,28,506/-				



c) Details of CSR amount spent against other than ongoing projects for the financial year:

1 Sr. No.	2 Name of Project	3 Item from the list of activities in schedule VII to the Act.	4 Local area (Yes/No)	5 Location of the project		6 Amount spent for the project (in Rs.).	7 Mode of implementation - Direct (Yes/No).	8 Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Conducting health camps for auto rickshaw drivers in Pune	(i)	Yes	Maharashtra	Pune	15,00,000/-	No	Vision India Foundation	CSR00002895
2	Contribution of Mammography Machine to Bhartiya Sanskruti Darshan Trust	(i)	Yes	Maharashtra	Pune	36,50,000/-	Yes	-	CSR00007711
3	Contribution of Mobile Compactors Storage System to Pune Marathi Granthalay to safekeep the books for long-term basis	(ii)	Yes	Maharashtra	Pune	10,00,000/-	Yes	-	CSR00013308
4	Contribution for purchasing physiotherapy and Gym Equipment's	(vi)	Yes	Maharashtra	Pune	10,00,000/-	Yes	-	CSR00004200
5	Contribution for Health Care and Education programme	(i) & (ii)	Yes	Maharashtra	Pune	14,28,000/- (less Spent)	No	Step Up Foundation	CSR00013219
6	Contribution for distribution of Ayurvedic Kadha Mix as preventive measure Ayurvedic Medicine	(i)	Yes	Maharashtra	Pune	30,00,000/-	No	Shrushti Foundation	CSR00021600
7	Contribution for Project Digital Sakhi for pregnant women & giving basic education to children in slums areas of Sinhagad road in Pune	(xi)	Yes	Maharashtra	Pune	9,95,553/- (less Spent)	No	Tapasya Pratishthan	CSR00006094
8	Contribution for purchasing Oxygen Concentrators to RSS Jankalyan Samiti in Covid-19 period	(i)	Yes	Maharashtra	Pune	25,20,000/-	Yes	-	CSR00000424
Total						1,50,94,000/-			



- d) Amount spent in Administrative overheads- None
- e) Amount spent in impact assessment, if possible – None
- f) Total amount spent for financial year – Rs. 3.00 CR
(8b+8c+8d+8e)
- g) Excess amount for set off if any, -None

Sr.No	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	4.88CR
(ii)	Total amount spent for the Financial Year	3.00 CR
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9) (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Proceeding Financial Year	Amount transferred to unspent CSR account under section 135(6) (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2021-2022	1,85,74,702/-	3.00 Cr.	Will be transferred before 30th September (To be decided in upcoming CSR meeting)			NA
2	2020-2021	2,37,77,454/-	1.60 Cr	Swachh Bharat Kosh	43,11,861/-	28/09/2021	NA
3	2019-2020	NA	NA		NA		NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of Project	Financial year in which project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project – Completed /Ongoing.
1	NA	Contribution for purchasing Anaesthesia machine with autosampler for cancer & under privileged patients to Bhartiya Sanskriti darshan Trust	2020	2	36,64,658/-	36,64,658/-	36,64,658/-	Completed
2		Skill development to 450 marginalised students in Gas plumbing, Retrofitting	2020	7-8	79,65,000/-	23,89,500/-	63,72,000/-	Ongoing



1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of Project	Financial year in which project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project – Completed /Ongoing.
3	NA	Contribution for purchasing vestibular for special students to The Society for Welfare Of Differently Abled Person	2020	6	14,97,750/-	4,49,325/-	14,97,750/-	Completed
4		Skill development of underprivileged household women and men in making Diya, cosmetic products from cow dung	2020	6	8,39,500/-	1,23,840/-	7,11,490/- (Less Spent)	Completed
5		Project Atmanirbhar. Health care and Education for pregnant women and children	2020	4	9,57,105/-	1,92,213/-	8,62,186/- (Less Spent)	Completed
6		Skill development of tribal people in Nashik	2020	8	15,42,640/-	3,93,815/-	14,73,663/- (Less Spent)	Completed
7		Health care and Education programme for Adolescent students	2020	5	5,78,340/-	1,73,502/-	5,78,340/-	Completed
8		Community development project in slum areas of Sinhagad Road	2020	4	18,14,400/-	5,44,320/-	18,14,400/-	Completed
9		Conducting OPDs and Health check-up camps of slum people	2020	6	20,00,000/-	4,74,586/-	18,51,586/- (Less Spent)	Completed
10		Conducting health check-up camps for auto rickshaw drivers at Nashik	2020	3	54,62,000/-	16,38,600/-	54,62,000/-	Completed
11		Distribution of food packets to underprivileged people affected by COVID-19	2020	7-8	7,00,000/-	0	3,90,000/-	Ongoing
12		Skill development training of under privileged youth at Ramanagar in Gas Plumbing	2020	7-8	18,58,000/-	3,67,195/-	12,96,195/-	Ongoing
13		Distribution of immunity boosters to co-morbid workers of PMC	2020	7-8	33,00,000/-	6,60,000/-	33,00,000/-	Completed
14		Contribution for purchasing of vehicle for blood transportation	2020	7-8	33,00,000/-	5,04,000/-	33,00,000/-	Completed
15		Contribution of vehicle to Bharatiya Samaj Seva Kendra for transportation of orphan children to hospital and various places	2020	5-6	10,02,000/-	9,91,000/-	10,02,000/-	Completed



- 10) **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**
- (a) Date of creation or acquisition of the capital asset(s) - NA
- (b) Amount of CSR spent for creation or acquisition of capital asset -NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) -NA

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

Out of the total CSR Budget of Rs.4.88 Cr. for the FY 2021-22, the amount of Rs.3.00 Cr. was spent during the year. The amount of Rs. 1.86 Cr. was transferred to the Escrow A/c as allocated for ongoing CSR Projects of the FY 2021-22. It is to inform that as per the CSR Policy of the Company, the project amount is to be disbursed subject to the completion of stages and satisfactory submission of the requisite documents by NGO partners.

The balance unallocated amount of Rs. 2.00 Lakhs shall be transferred to the fund specified in Schedule VII as per the provisions of section 135 of the Companies Act, 2013 by end of the September, 2022.

On behalf of the Board of Directors
For **Maharashtra Natural Gas Limited**

Sd/-
Sanjay Sharma
Director (Commercial)
DIN: 09025971

Sd/-
Deepak Sawant
Managing Director
DIN: 07339381

Place: Pune
Date:01.09.2022



ANNEXURE- "D" SECRETARIAL AUDIT REPORT

To,

The Members,

Maharashtra Natural Gas Limited

Plot no. 27, Narveer Tanajiwadi,

PMT Bus depot, Commercial Building, 1st Floor,

Shivajinagar, Pune 411005

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maharashtra Natural Gas Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Maharashtra Natural Gas Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Maharashtra Natural Gas Limited ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable -;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): – **Not applicable -**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) other applicable laws like Maharashtra Fire Prevention and Life Safety Measures Act, 2006, The Bombay Gas Supply Act 1939, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. In respect of other applicable laws to the Company, I have relied on information obtained, representations made and records produced physically or over e-mail from the departmental heads, during the course of my audit. My reporting is limited to that extent.

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

- (I) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India as they stand on the date of reporting;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable - Not applicable -

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of



the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I/We further report that during the audit period the company has been no instances having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, standards as referred above.

For CS Rachana R. Kolte

Practising Company Secretary

Sd/-

Rachana Kolte

Membership No. 50134

C.P. No. 18572

Place: Pune

Date: 03.09.2022

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
Maharashtra Natural Gas Limited
Pune

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For CS Rachana R. Kolte

Practising Company Secretary

Sd/-

Rachana Kolte

Membership No. 50134

C.P. No. 18572

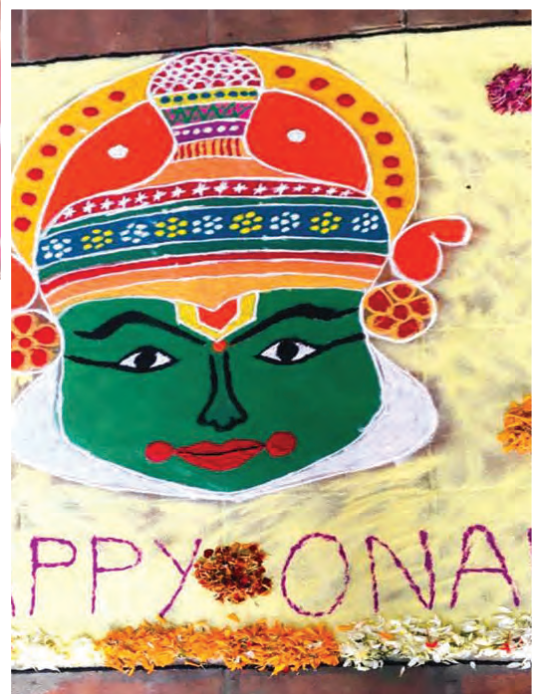
Place: Pune

Date: 03.09.2022





RANGOLI COMPETITION AT MNGL





SAFETY TRAINING PROGRAMME



17th ANNUAL DAY CELEBRATION





सत्यमेव जयते

कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा
मुंबई

भारतीय लेखापरीक्षा और लेखा विभाग

सी-25, ऑडिट भवन 8वाँ तल, बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा (पू), मुंबई - 400 051.
फैक्स : 022-26573814 टेलीफोन : 022-26573813 / 26573942
ई-मेल : pdcamumbai@cag.gov.in

Office of the Director General of Commercial Audit
Mumbai

Indian Audit & Accounts Department

C-25, 'Audit Bhavan' 8th Floor, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Fax : 022-26573814 Telephone : 022-26573813 / 26573942
e-mail : pdcamumbai@cag.gov.in

संख्या: डीजीसीए/एम.एन.जी.एल/ लेखों/2021-22/टी- 1924/211

दिनांक: 14.07.2022

सेवा में,

प्रबंध संचालक
महाराष्ट्र नॅचरल गॅस लिमिटेड,
पुणे.

विषय: कंपनी के अधिनियम 2013 के धारा 143 (6) (b) के अधीन महाराष्ट्र नॅचरल गॅस लिमिटेड के 31 मार्च 2022 को समाप्त लेखों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणीयाँ।

महोदय,

मैं महाराष्ट्र नॅचरल गॅस लिमिटेड के 31 मार्च 2022 को समाप्त लेखों पर कंपनी के अधिनियम 2013 के धारा 143 (6) (b) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणीयाँ प्रेषित कर रहा हूँ।

वार्षिक आम सभा में लेखों तथा नियंत्रक-महालेखापरीक्षक के टिप्पणीयों को अंगीकरण करने के कार्यवाही के कार्यवृत्त की एक प्रतिलिपि इस कार्यालय को प्रेषित करें। साथ में प्रकाशित वार्षिक रिपोर्ट की 10 प्रतिलिपियाँ भेजें।

कृपया इस पत्र की पावती भेजें।

सिद्धांताजी लाजे. भवदीय,

महानिदेशक वाणिज्यिक लेखापरीक्षा, मुंबई

संलग्न: यथोपरि



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MAHARASHTRA NATURAL GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Maharashtra Natural Gas Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated **07 July 2022** which supersedes their earlier Audit Report dated **11 May 2022**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Maharashtra Natural Gas Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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



C.M.Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 14 July 2022





M/s. SUNSVG & ASSOCIATES
Chartered Accountants

C-18, Yashshree Apartment, Opp. To Nirmal Samrudhi, Surbhi Mangal Karyalay Lane, Taware Colony, Satara Road, Pune - 411 009.
Phone : (O) 020 - 24213814, (H) 020 - 24219062 Mob : 9422307048 Email : nadesatish@yahoo.co.in

Revised Independent Auditors' Report

To,
The Members,
Maharashtra Natural Gas Limited,
Pune

This revised Independent Auditor's Report is being issued in supersession of our earlier Independent Auditor's Report dated 11th May 2022 in view of the certain deficiency as directed by C & AG of India in our earlier report. During performance of Statutory Audit of Maharashtra Natural Gas Limited, Pune, we have considered the provisions of Companies Audit Report Order (CARO), 2020 wherever applicable. Further, we confirm that there is no change in the opinion expressed earlier.

Report on the Audit of Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Maharashtra Natural Gas Limited (MNGL)** which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit & loss Account (including Other Comprehensive Income), Cash Flow statement, Statement of Changes in Equity for the year ended on that date and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Ind AS specified 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,



- (i) in the case of Balance Sheet, of the state of affairs of company as at 31st March 2022
- (ii) in the case of Statement of Profit and Loss, of the **Profit** for the period ended on that date.
- (iii) Changes in Equity for the year ended on that date.
- (iv) Cash flow statement for the year ended on that date

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key Audit Matter	How our audit addressed the key audit matter
<p>Interest amount outstanding from M/s Pune Mahanagar Parivahan Mahamandal Limited ("PMPML")</p> <p>In respect of the interest charged by MNGL to PMPML, as per terms of the agreement, the same is disputed and not paid by PMPML. The cumulative interest amount is Rs.22.89 Crs as at 31.03.2022.</p> <p>The same is appropriately disclosed in Note No.8 of the Notes to Accounts.</p>	<p>Our Audit was conducted in accordance with Standards of Auditing and we have maintained professional judgement throughout the audit process.</p> <p>The management was made aware that it is their responsibility to maintain proper books of account with complete information and that the same may have significant impact on the financial results of the Company</p>



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding 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 the design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the



financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has



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

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

We also provide those 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, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Act, we give our report on the matters specified in the aforementioned directions in **"Annexure C"** on taking into consideration the information, explanations, examination of records and written representations received from the management
3. As required by section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

- a. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- b. The Balance Sheet, Statement of Profit and Loss, Cash Flow statement and Statement of Changes in Equity dealt with by this report are in agreement with relevant books of accounts maintained for the purpose of preparation of the IND AS financial statements;
- c. In our opinion the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- d. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164 (2) of the Act.



- e. 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”.

Other Matters

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

- i. The company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements; - Refer Note 33 to the Ind AS Financial statements
- ii. As informed to us, the company has not entered in any long term contract including derivative contract and as such, this clause of providing foreseeable loss is not applicable to the company.
- iii. There is no such amount that is required to be transferred, to the investor Education and Protection Fund by the Company;
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (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. As stated in Note No. 42 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For SUN SVG & Associates
Chartered Accountants
(FRN 118693W)

Shubhada V. Ghanawat
Shubhada V. Ghanawat
Partner
Membership No. 046402.
UDIN : 22046402AMLDZL2252
Place : Pune
Date : 07th July, 2022



Annexures attached to the audit report

1. CARO "Annexure A"
2. Report on the Internal Financial Controls (IFC Report) "Annexure B"
3. Independent Auditor's Report as required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Companies Act, 2013- "Annexure C"





M/s. SUNSVG & ASSOCIATES
Chartered Accountants

C-18, Yashshree Apartment, Opp. To Nirmal Samrudhi, Surbhi Mangal Karyalay Lane, Taware Colony, Satara Road, Pune - 411 009,
Phone : (O) 020 - 24213814, (H) 020 - 24219062 Mob : 9422307048 Email : nadesatish@yahoo.co.in

"ANNEXURE A"
Companies Audit Report Order (CARO)

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

Referred to in paragraph "1" of our report of even date, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that

- i. In respect of Property, Plant and Equipment and Intangible Assets:
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right-of-use assets.
 - b) The Company is maintaining proper records showing full particulars of intangible assets acquired during the course of business.
 - c) The PPE and right-of-use assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the PPE and right-of-use assets is reasonable having regard to the size of the Company and the nature of its assets. For the underground natural gas distribution system, the management has adequate controls in place to safeguard the physical existence of the said distribution system. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon such verification.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. However, as informed to us, in case of one immovable property situated at Gat No.539, Chikhali, it is defending a claim with reference to the title, filed by Chinchwad Deostan Trust. The details are as follows:



Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*	Details of dispute
Land at Gat No.539, Chikhali, Pune	264.60 Lakhs	Company	No	Since FY 2007-08	Not Applicable since held in the name of company	Chinchwad Deosthan Trust filed a title suit claiming ownership of land at chikhali

- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of Inventories:

- a) The inventories of the Company comprise of natural gas. In our opinion and according to the information and explanation given to us, having regard to the nature of the inventory of natural gas, the procedures followed by the management for estimation of natural gas quantities which is based on volume of pipelines and the volume of cascades containing the natural gas considering the standard temperature and pressures, are reasonable and no material discrepancies were noticed on such computation. Further, in our opinion, the management has conducted physical verification of inventory of stores and spare parts at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.



- b) The Company has been sanctioned working capital limits of ₹25 crores, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. (Trade Receivable). The Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. As per information and explanation given to us and audit procedure carried out by us, 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 party. Accordingly, provisions of Clause (iii) (a) to (f) of the order are not applicable to the company.
- iv. As per information and explanation given to us and audit procedure carried out by us, the company has not given any loans, made any investments, issued any guarantees and security covered by provisions of section 185 & 186 of the Companies Act 2013.
- v. The company has not accepted any deposits during the year from the public within the meaning of the provisions of sections 73 to 76 of the Companies Act, 2013 and or any other relevant provisions of the Companies Act and the rules framed there under.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's product and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanation given to us and the records examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST, VAT, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues wherever applicable.

There were no undisputed amounts payable in respect of Provident Fund, Income-Tax, Service Tax, Value Added Tax, Duty of Customs, Duty of Excise, Cess, GST and other material statutory dues applicable to it with the appropriate authorities



- b) In our opinion and on the basis of the information and explanation given to us, the dues outstanding in respect of income-tax, sales tax, service tax, duty of customs, duty of excise, GST and value added tax on account of any dispute, are as follows

Sr no	Name of Statute	Name of Dues	Amount (Rs in lacs)	Amount paid under Protest (Rs in lacs)	Period for which the amount relates	Forum where the dispute is pending
1	Sales Tax	Sales tax dues	35.47 (net of refund of Rs.8 lacs)	0.25 lacs	FY 2009-10	Jt Commissioner of Sales Tax (appeal) Pune
2	Service Tax	Service Tax Dues	Service tax 2657.10 lacs and Penalty of Rs. 2658.21 lacs	199.28 lacs	FY 2012-13 to FY 2017-18	Customs Excise and Service Tax Appellate Tribunal (CESTAT)

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution and bank.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) On an overall examination of the financial statements of the Company, term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.



- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies, and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a) The company did not raise moneys by way of initial public offer or further public offer (including debt instruments).
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).
- xi. a) Based upon the audit procedures performed and information and explanations given by the management, we have neither come across any instance of fraud by the company or any fraud on the company by its officers or employees during the course of our audit.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company not has paid/provided for managerial remuneration and hence, the provisions of section 197 read with Schedule V to the Act in are not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 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 IND AS.



- xv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvii. a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- b) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xviii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xix. There has been no resignation of the statutory auditors of the Company during the year.
- xx. 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 and our knowledge of the Board of Directors and Management plans 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report



and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xxi. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.
- c) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report.
- xxii. According to the information and explanations given to us, the company has no subsidiaries. Accordingly, reporting under clause 3(xxi) of the Order is not applicable for the year.

**For SUN SVG & Associates
Chartered Accountants
(FRN 118693W)**

S. V. Ghanawat

**Shubhada V. Ghanawat
Partner**

Membership No. 046402.
UDIN : 22046402AMLDZL2252
Place : Pune
Date : 07th July, 2022





M/s. SUNSVG & ASSOCIATES
Chartered Accountants

C-18, Yashshree Apartment, Opp. To Nirmal Samrudhi, Surbhi Mangal Karyalay Lane, Taware Colony, Satara Road, Pune - 411 009.
Phone : (O) 020 - 24213814, (H) 020 - 24219062 Mob : 9422307048 Email : nadesatish@yahoo.co.in

Annexure – B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **MAHARASHTRA NATURAL GAS LIMITED (MNGL)** ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal 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.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

According to the information and explanations given to us and based on our audit, the Company has, maintained adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SUN SVG & Associates
Chartered Accountants
FRN 118693W)

S. Ghanawat

Shubhada V. Ghanawat
Partner
Membership No. 046402.
UDIN : 22046402AMLDZL2252
Place : Pune
Date : 07th July, 2022





M/s. SUNSVG & ASSOCIATES
Chartered Accountants

C-18, Yashshree Apartment, Opp. To Nirmal Samrudhi, Surbhi Mangal Karyalay Lane, Taware Colony, Satara Road, Pune - 411 009.
Phone : (O) 020 - 24213814, (H) 020 - 24219062 Mob : 9422307048 Email : nadesatish@yahoo.co.in

ANNEXURE-C TO THE INDEPENDENT AUDITORS REPORT

Independent Auditor's Report as required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Companies Act, 2013 (the 'Act')

We have audited the financial statements of MAHARASHTRA NATURAL GAS LIMITED ("the Company") as of 31st March 2022 and in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date and According to Section 143(5) of the Companies Act 2013, and in line with the directions received from the Comptroller and Auditor General of India, we hereby report that:

Sr. No.	Direction	Auditors' Reply	Financial Implication
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated..	As per information given to us and based on the records examined, Company has system in place to process all the accounting transactions through IT system.	Not applicable
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the load? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	As informed by the management and based on the records examined, we have not observed any case of restructuring of an existing loan or waiver/ write off of debts/ loans/ interest etc. from banks or financial institution during the year under audit.	Not applicable



Sr. No.	Direction	Auditors' Reply	Financial Implication
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government of its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per information, explanations and written representations given to us by the management, the Company has not received any funds (grants/subsidy etc.) from Central/State Government for specific schemes of its agencies.	Not applicable

For SUN SVG & Associates
Chartered Accountants
(FRN 118693W)

S. Ghanawat
Shubhada V. Ghanawat
Partner
Membership No. 046402.
UDIN : 22046402AMLDZL2252
Place : Pune
Date : 07th July, 2022



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Balance Sheet as at March 31, 2022

(All Figures in Rupees Lakhs, unless otherwise stated)

Particulars	Note Reference	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	101,370.01	91,777.53
Right of Use Assets	3	10,790.42	6,486.12
Capital work-in-progress	3	54,859.39	34,921.97
Other intangible assets	4	486.30	415.91
Financial asset			
(i) Other financial asset	5	1,427.95	1,519.53
Other non-current assets	6	127.71	134.04
Total non-current assets		169,061.78	135,255.10
Current assets			
Inventories	7	175.21	46.22
Financial assets			
(i) Trade and other receivables	8	13,988.11	10,037.28
(ii) Cash and cash equivalents	9	7,506.01	3,065.32
(iii) Other financial assets	5	677.95	542.82
Other current assets	10	909.53	667.45
Total current assets		23,257.11	14,359.09
Total - Assets		192,318.89	149,614.19
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11(a)	10,000.00	10,000.00
Other equity			
(i) Reserves and surplus	11(b)	99,809.97	72,545.57
Total equity		109,809.97	82,545.57
Non-current liabilities			
Financial liabilities			
(i) Long-term borrowings	12	22,403.33	21,065.91
(ii) Lease liability	1(f)(f)	10,937.05	6,915.88
(iii) Other financial liabilities	13	413.05	47.10
Long-term provisions	14	289.47	248.01
Deferred tax liabilities (Net)	16	6,527.78	5,851.17
Total non-current liabilities		40,570.69	34,128.06



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Balance Sheet as at March 31, 2022

(All Figures in Rupees Lakhs, unless otherwise stated)

Particulars	Note Reference	March 31,2022	March 31,2021
Current liabilities			
Financial liabilities			
(i) Trade payables	17	11,409.76	7,596.06
(ii) Lease Liability	1(f)(f)	677.54	349.71
(iii) Other current financial liabilities	13	20,498.71	16,437.24
Short-term provisions	14	2,111.65	1,196.86
Liabilities for current tax (Net)	18	2,154.65	483.48
Short - term borrowings	19	4,625.30	6,169.32
Other current liabilities	20	460.41	707.89
Total Current liabilities		41,938.23	32,940.56
Total - Liabilities		82,508.93	67,068.63
Total equity and liabilities		192,318.89	149,614.19

Significant accounting policies 1

Critical estimates and judgements 2

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For M/s SUN SVG & ASSOCIATES

Chartered Accountants

Firm Registration Number: 118693W

For and on behalf of the Board of Directors of

Maharashtra Natural Gas Limited

CA Shubhada V. Ghanawat

Partner

Membership No : 046402

UDIN : 22046402AIWOTB9641

Sd/

Deepak Sawant

Managing Director

DIN: 07339381

Sd/-

Sanjay Sharma

Director (Commercial)

DIN: 09025971

Sd/-

Sarathy M K

Chief Financial Officer

Sd/-

Shreya Prabhudesai

Company Secretary

A48866

Date : 11/05/2022

Place : Pune



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Statement of Profit and Loss for the year ended March 31, 2022

(All Figures in Rupees Lakhs, unless otherwise stated)

Particulars	Note Reference	March 31, 2022	March 31, 2021
Revenue from Operations	21	138,140.87	80,026.18
Other Income	22	437.29	107.09
Total Income		138,578.16	80,133.27
Expenses			
Purchases of Natural Gas	23(a)	62,522.73	33,012.98
Changes in inventories of finished goods	23(b)	(128.99)	(9.89)
Excise Duty		9,992.17	5,426.01
Employee benefit expense	4	2,182.36	1,725.67
Depreciation and amortisation expense	25	7,066.43	6,424.30
Finance costs	26	1,764.00	2,325.70
Other expenses	27	10,570.65	7,554.62
Total Expenses		93,969.34	56,459.40
Profit before exceptional items and tax		44,608.82	23,673.88
Exceptional Items		-	-
Profit before tax		44,608.82	23,673.88
Income tax Expense			
Current Tax	28	10,670.48	5,074.87
Adjustment of tax relating to earlier years		-	(47.74)
Deferred tax	28	676.61	1,348.85
Total Tax Expense		11,347.10	6,375.98
Profit from continuing operations		33,261.72	17,297.90
Profit After Tax		33,261.72	17,297.90
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations	15(iv)	(3.59)	-
Income tax relating to these items	18	0.90	-
Other Comprehensive income, net of tax		(2.68)	-
Total Comprehensive income		33,264.40	17,297.90
Earnings per equity share			
Basic and diluted earnings per share (in Rs.)	37	33.26	17.30

As per our report of even date attached

The accompanying notes form an integral part of these financial statements.

For M/s SUN SVG & ASSOCIATES

Chartered Accountants

Firm Registration Number: 118693W

For and on behalf of the Board of Directors of

Maharashtra Natural Gas Limited

CA Shubhada V. Ghanawat

Partner

Membership No : 046402

UDIN : 22046402AIWOTB9641

Sd/

Deepak Sawant

Managing Director

DIN: 07339381

Sd/-

Sanjay Sharma

Director (Commercial)

DIN: 09025971

Sd/-

Sarathy M K

Chief Financial Officer

Sd/-

Shreya Prabhudesai

Company Secretary

A48866

Date : 11/05/2022

Place : Pune



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Statement of Cash Flows for the year ended March 31, 2022

(All Figures in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow From Operating Activities			
Profit before income tax		44,608.82	23,673.88
Adjustments for:			
Depreciation and amortisation	24	7,066.43	6,424.30
Gains on disposal of property, plant and equipment	21(b)	-	-
Finance costs	25	1,764.00	2,325.70
Other Comprehensive Income	15	3.59	-
Interest income classified as investing cash flow	21	(117.74)	(71.67)
Provision for doubtful debts written back		8,716.28	8,678.33
Operating profit before working capital changes		53,325.09	32,352.21
Change in operating assets and liabilities			
(Increase)/Decrease in inventories	Ref V	(128.99)	(9.89)
(Increase)/Decrease in trade and other receivables	Ref VI	(3,951.13)	(2,832.97)
Increase/(Decrease) in Trade and other Payables	Ref XIII	3,813.69	2,819.42
Increase/(Decrease) in Lease Liability		327.83	313.70
Increase/(Decrease) in Long Term Provisions	Ref X	41.47	136.60
Increase/(Decrease) in short Term Provisions		914.79	241.33
Increase/(Decrease) in other liabilities- current	Ref XII	(247.48)	274.32
Increase/(Decrease) in other current financial liabilities	Ref XIV	4,061.47	1,758.57
(Increase)/Decrease in other current assets	Ref VII	(242.08)	317.68
(Increase)/Decrease in financial assets - Current	Ref III	(135.13)	4,454.44
Cash generated from operations		57,779.53	35,264.98
Income taxes paid	18	(9,000.00)	(4,897.06)
Net cash inflow from operating activities (A)		48,779.53	30,367.92
Cash Flow From Investing Activities			
Payments for property, plant and equipment	Ref I	(40,894.29)	(31,194.48)
Payments for intangible assets		(70.39)	(313.15)
Interest received		117.74	166.02
Proceeds of other financial liabilities - Non Current		365.96	47.10
Proceeds from sale of investments (Earmarked and other fixed deposits)	Ref XV	750.31	3,691.22
Proceeds from sale of investments (Security deposits)		(658.73)	(29.14)
Net cash outflow from investing activities (B)		(40,389.41)	(27,632.43)



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

Statement of Cash Flows for the year ended March 31, 2021

(All Figures in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow From Financing Activities			
Proceeds from long term borrowings (Net)	12	1,337.42	4,589.91
Proceeds from Lease Liability		4,021.17	2,255.24
Proceeds from Short Term Borrowings (Net)		(1,544.02)	500.00
Interest paid		(1,764.00)	(2,325.70)
Dividend paid (including tax on dividend)	30	(6,000.00)	(6,000.00)
Net cash inflow from financing activities (C)		(3,949.43)	(980.55)
Net increase/(decrease) in cash & cash Equivalents (A + B + C)		4,440.69	1,754.94
Cash & cash equivalents as at beginning of the year (D)		3,065.31	1,310.38
Cash & cash equivalents as at end of the year (A + B + C + D)	9	7,506.01	3,065.32
Reconciliation of cash and cash equivalents			
as per the cash flow statement (Refer Note No. 9)			
Cash on Hand		33.05	14.21
Cash balance with Banks - in current Accounts		7,472.96	3,051.11
Cash & cash equivalents balance at the end		7,506.01	3,065.32

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Cash Flow Statement. Brackets indicate cash outflow/ deduction.

As per our report of even date attached

For M/s SUN SVG & ASSOCIATES
Chartered Accountants
Firm Registration Number: 118693W

For and on behalf of the Board of Directors of
Maharashtra Natural Gas Limited

CA Shubhada V. Ghanawat
Partner
Membership No : 046402
UDIN : 22046402AIWOTB9641

Sd/
Deepak Sawant
Managing Director
DIN: 07339381

Sd/-
Sanjay Sharma
Director (Commercial)
DIN: 09025971

Sd/-
Sarathy M K
Chief Financial Officer

Sd/-
Shreya Prabhudesai
Company Secretary
A48866

Date : 11/05/2022
Place : Pune



Maharashtra Natural Gas Limited

Notes to the financial statements

Company Information

"Maharashtra Natural Gas Limited ('MNGL') is a Company incorporated in January 2006 to meet the City Gas distribution needs of Pune and adjoining areas. MNGL has got authorisation from Petroleum and Natural Gas Regulatory Board (PNGRB) for city gas distribution in Pune & Pimpri-Chinchwad city including adjoining areas of Hinjewadi, Chakan & Talegaon. In the 9th round of CGD bidding, MNGL has acquired 3 new geographical areas in September 2018 and is spreading its network in other districts of Maharashtra like Nasik, Dhule, Sindhudurga, In Gujarat (part Valsad) and Ramanagara in Karnataka. MNGL secured 2 more geographical areas in recently concluded 11th CGD bidding round (March 2022) viz, Buldana, Nanded, Parbhani districts, Maharashtra and Nizamabad, Adilabad, Nirmal, Mancherla, Kumuram Bheem Asifabad and Kamareddy Districts, Telangana. MNGL is a joint venture Company of two Maharatna PSUs viz. Bharat Petroleum Corporation Limited (BPCL) and GAIL (India) Limited, with the mission to supply clean and green (eco-friendly) fuel. Main business objectives of the company are as under:-

- To provide clean, environment friendly green fuel as an alternative to the conventional auto fuels like Petrol and Diesel
- To provide safe, convenient and reliable piped natural gas to its customers in the domestic, commercial and industrial sectors.
- Transport sector uses Compressed Natural Gas (CNG) and domestic, commercial and industrial sectors use Piped Natural Gas (PNG).
- Gas procurement is done from GAIL (India) Limited and other suppliers through Gas Sale Agreement.
- The financial statements are approved for issue by the Company's Board of Directors on 11th May, 2022."

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

"These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, by the Ministry of Corporate Affairs and other relevant provisions of the Act. All assets and

liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities."

(ii) Historical Cost Convention

The financial statements have been prepared on the accrual and going concern basis, and historical cost convention except where the Ind AS requires an alternative treatment. The principal variations from the historical cost convention relate to financial instruments which are measured at fair value and retirement benefit obligations.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company assesses the financial performance and makes strategic decisions. Refer note 32 for the segment information presented.

(c) Foreign currency transactions and translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

(i). Initial Recognition

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transaction.

(ii). Measurement at the Balance Sheet Date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined."



(iii) Treatment of Exchange Difference :

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

(iv) Accounting of Forward Contracts:

Premium on forward contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the balance sheet date.

(d) Revenue Recognition

- (i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, goods & service tax and amounts collected on behalf of third parties.
- (ii) The company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.
- (iii) Revenue on sale of Piped Natural Gas (PNG) is recognized based on completion of delivery. Sales are billed bi-monthly for domestic customers, monthly for commercial customers and fortnightly for industrial customers. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers.
- (iv) Committed revenue from customers for gas sales and gas transmission is recognized if it is not unreasonable to expect ultimate collection of revenue from buyers.
- (v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable and in consonance with the mutually agreed terms.
- (vi) Recoveries of connection charges from customer (Industrial and commercial segment) with regards to laying of pipeline, is recognised as revenue on the date of capitalisation of respective asset.

e) Income Tax

"The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India where the company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses."

"Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively."

(f) Leases

The company as a Lessee

(a) Identifying a Lease

At the inception of the contract, the Company assesses whether a contract is, or contain, a lease. A contract is, or contains, a lease if the contract conveys the right to control the



use of an identified asset for a period of time in exchange for consideration. The company assesses whether:

- The contract involves the use of an identified asset, specified explicitly or implicitly.
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and
- The Company has right to direct the use of the asset.

(b) Recognition and subsequent measurement of right of use asset

The Company recognises a right of use asset and lease liability at the lease commencement date. In case of contract for wet lease of booster compressors, recognition is made at the date of compression and Dispensing of CNG as per terms of contract. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

Contract with Pune Mahanagar Parivahan Mahamandal Limited (PMPML) towards compensation of Rs. 1.20 per Kg has not been considered under IND AS 116 as the compensation involved is variable in nature.

(c) Short-term leases:

The Company has elected by class of underlying asset not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(d) Separating components of a contract

As a practical expedient, the Company has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

(e) Determination of discount rate as a lessee

Company estimates the discount rate based on 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.

The Lease payments are discounted using lessee's incremental borrowing rate at 9.5% p.a. with maturity between 2020 - 2051.

(f) Amounts recognised in balance sheet and statement of profit and loss: The balance sheet shows the following amounts relating to leases:

Right of use asset Amount in Rs. Lakhs

Particulars	Note No.	As at March 31,2022	As at March 31,2021
Balance as at 1 April 2022	3	6,486.12	4,534.15
Add: Additions	3	5,535.44	3,201.70
Less: Depreciation charged on the right-of-use assets	3	1,231.14	1,249.73
Balance as at 31 March 2022		10,790.42	6,486.12

Lease Liability Amount in Rs. Lakhs

Particulars	As at March 31,2022	As at March 31,2021
Balance as at 1 April 2021	7,265.59	4,696.65
Add: Additions	5,535.44	3,201.70
Add: Lease Interest	542.98	702.64
Less: Lease payments made during the year	1,729.41	1,335.40
Balance as at 31 March 2022	11,614.59	7,265.59

Depreciation and interest expense Amount in Rs. Lakhs

Particulars	Note No.	Year ended March 31,2022	Year ended March 31,2021
Depreciation expense	3	1,231.14	1,249.73
Interest expense	26	542.98	702.64
Total		1,774.11	1,952.37

Lease payments not recognised as lease liabilities:

Particulars	Year ended March 31,2022	Year ended March 31,2021
Expenses relating to short term leases	180.85	110.49
Total	180.85	110.49

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021:

Particulars	Year ended March 31,2022	Year ended March 31,2021
Current lease liabilities	677.54	349.71
Non-current lease liabilities	10,937.05	6,915.88
Total	11,614.59	7,265.59

The table below provides details regarding contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	Year ended March 31,2022	Year ended March 31,2021
Less than 1 year	677.54	349.71
One to five years	7,472.03	3,618.80
More than five years	3,465.02	3,297.08
Total	11,614.59	7,265.59



(g) Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets. For assets previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'), the impairment is recognised in OCI up to the amount of any previous revaluation.

(h) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand, deposits at call with financial institutions, cash at bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(i) Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(j) Inventories

"Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

- (i) Finished stocks are valued at cost of manufacturing/purchase or net realisable value whichever is lower. Cost is calculated on a weighted average basis.
- (ii) Raw materials are valued at cost arrived at on weighted average basis or net realisable value, whichever is lower.
- (iii) Cushion gas is the volume of gas that is required in an underground storage field/ pipeline network to maintain minimum field pressure. This cushion gas(or base gas) is not available for withdrawal unless replaced with immiscible injectant to maintain field pressure. Considering this nature it is

inherent part of the plant property and equipment, (pipeline capitalized). The cushion gas is depreciated to its residual value over the life of the storage facility / pipeline in accordance with of Ind AS 16. For the financial year 2021-22, management has concluded that the value of cushion gas is not material and has not been capitalized to PPE."

(k) Financial Instruments

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

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories:

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

• Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on A debt investment that is subsequently measured at amortized cost and is not part of hedging relationship recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial Assets is included in finance income using the effective interest rate method.

• Fair Value through other comprehensive income (FVTOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously



recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):**

Assets that do not meet the Criteria for Amortized cost or FVTOCI are measured at Fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at Fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Impairment of financial assets

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29 details how company determines whether there has been significant increase in credit risk.

Derecognition of financial assets

"A financial asset is derecognized only when:- The company transferred the rights to receive cash flows from the financial asset or- Retains contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset."

Income recognition

Interest income from debt instruments is recognized using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset. When calculating the effective interest rate, the company estimates

the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Financial liability

All financial liabilities are initially recognized at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft.

Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in 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 cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

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

Reclassification of financial instruments

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the company reclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.



Offsetting financial assets and financial liabilities

Financial assets and 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.

(I) Property, Plant and equipment

- (i) Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Any trade discounts and rebates are adjusted in arriving at the cost of the assets and costs recovered from the customers towards the cost of assets are recognized as revenue on date of capitalization of respective assets.
- (ii) In line with practice followed by other City Gas Distribution companies, considering the complexity and voluminous data in respect of Domestic connections, details in the fixed asset register are captured to the extent of pipe size, area /route, restoration charges, laying charges and other major costs to bring the asset into commissioning stage.
- (iii) Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to company.
- (iv) Expenditure incurred during the period of construction including all direct and indirect expenses, incidental to construction are carried forward and on completion, the costs are allocated to the respective fixed assets.
- (v) Gas distribution systems are commissioned on commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the Contractors is pending, capitalization is made on an estimated basis pending receipt of final bills from the Contractors, and is subject to adjustment in cost and depreciation in the year of final settlement.
- (vi) Spares which meet the definition of Property, Plant & Equipment are capitalized with the cost of plant and machinery and are fully depreciated when issued for consumption. When a major overhauling is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinguished from physical parts) is derecognized."

Depreciation Method, estimated useful lives and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed under Schedule II of the Companies Act, 2013 or as determined by management based on internal technical evaluation. On account of revision in lives of assets with reference to Schedule XIV of the Companies Act, 2013, the depreciation is calculated on balance value of assets over balance useful life of the asset since FY 2015-16.

In compliance with Petroleum and Natural Gas Regulatory Board (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008, design life of pipeline laid for CGD segment is 25 years. Therefore, useful life of Pipeline (under plant and machinery) has been considered different than useful life mentioned under schedule II of the Companies Act, 2013. MNGL Board vide resolution dtd. March 23, 2016, has changed life of pipeline to 25 years instead of 30 years as prescribed under schedule II of the Companies Act, 2013 and hence revised useful life of assets are as under :

Asset	Life in years
Mother Compressors, online compressors and Booster Compressors	10 years
Computers and Mobile Phones	3 years
Signages	10 years
Furniture & Fittings	10 years
Office Equipments	5 years
Fire Fighting Equipments	15 years
Pipeline	25 years
Plant & Machinery – other than compressors and pipeline	20 years
Vehicles	8 years
Building	60 years

Depreciation on additions / deletions(excluding PNG) is charged on pro-rata basis and in case of PNG, depreciation on additions / deletions is charged on 180 days irrespective of date of addition or deletion. Assets individually costing less than or equal to Rs. 5,000 are fully depreciated in the year of purchase.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Net Residual Value is considered as Rs. NIL.



(m) Intangible assets

Computer Software

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are stated at cost less accumulated amortization. The company amortizes intangible asset with a finite useful life using the straight-line method over the period of three years.

(n) Borrowings

"Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been distinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses). Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach."

(o) Borrowing Costs

"General and specific borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying asset are assets that necessarily takes substantial period of time to get ready for its intended use or sale. Interest income earned on the temporary investment of

specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the period in which they are incurred."

(p) Provisions and Contingent liabilities

"Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed."

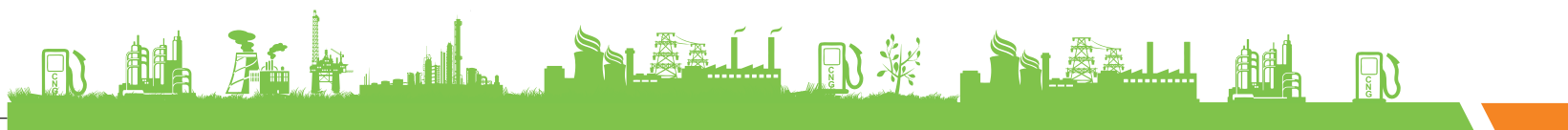
(q) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

"The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period by the actuaries using the projected unit credit method. The benefits are discounted using the marked yields at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as a result of experience



adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur."

(iii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plan viz. gratuity; and
- (b) Defined contribution plan viz. provident fund"

Gratuity Obligations

"In case of Gratuity provisioning, MNGL has availed Group Gratuity Plan and Annual Contributions are paid to LIC on renewal date. Provision has been made as per Actuarial Report from FY 2021-22. The present value of the defined benefit obligation denominated in Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss. Remeasurement gains and losses arising from the experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost."

Prepaid contributions are recognised as an asset for termination benefits.

Defined Contribution plan

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company have no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

(r) Dividends

Dividend distribution to the company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders, on or before the end of the reporting

period but not distributed at the end of the reporting period.

(s) Earnings per share

- (i) Basic earnings per share Basic earnings per share is calculated by dividing:
 - (a) The profit attributable to equity shareholders
 - (b) By the weighted average number of equity shares outstanding during the financial year (note 37)
- (ii) Diluted earnings per share Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
 - (a) The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
 - (b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares."

(t) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(u) Previous year figures

Previous year figures have been regrouped/reclassified, wherever necessary.

(v) Security Deposit from Domestic customers:

In case of Domestic Customers, Security Deposit for non-scheme customers is considered as receivable on accrual basis. In case of any disconnections, provision is made for the net outstanding amount after adjusting Security Deposit.

(w) Capitalization of Salary pertaining to Project Staff:

The expenditure incidental to setting up of project is included in capital work-in-progress (CWIP) which is apportioned to the property, plant and equipment on completion of project. Salary pertaining to Project Staff Rs. 666.46 Lakhs (previous year Rs. 478.30 Lakhs) attributable to PPE has been capitalized (Refer Note No.3)

(x) Cash Flows

Cash Flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



Maharashtra Natural Gas Limited

Notes to the financial statements

Note 2: Critical Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The management continually evaluates these estimates and assumptions based on the most recently available information.

Estimates and assumptions

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

1. Financial instruments;
2. Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
3. Valuation of inventories;
4. Measurement of recoverable amounts of cash-generating units;
5. Measurement of Defined Benefit Obligations and actuarial assumptions;
6. Provisions;
7. Evaluation of recoverability of deferred tax assets; and
8. Contingencies.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Segment reporting

"Ind-AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD), based on its internal reporting structure and functions of the BoD. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources. The Management has determined that the Company operates in a single segment of city gas selling and distribution in Pune and adjoining areas and as whole business activity exhibit similar economic characteristics and meet other aggregation criteria and accordingly there are no separate reportable segments identified."



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

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

(All Figures in Rupees Lakhs, unless otherwise stated)

A. Equity share capital
(1) Previous reporting period

Balance at the April 01, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end March 31, 2021
10,000.00	0	0	0	10,000.00

(2) Current reporting period

Balance at the April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end March 31, 2022
10,000.00	0	0	0	10,000.00

B. Other Equity
(1) Previous reporting period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus										Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings (Refer Note 11(b))	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)		
Balance at the April 01, 2020	-	-	-	-	-	61,247.67	-	-	-	-	-	-	-	61,247.67
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

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

(All Figures in Rupees Lakhs, unless otherwise stated)

Total															
Compreh-															
ensive															
Income															
for the															
current year	-	-	-	-	-	17,297.90	-	-	-	-	-	-	-	17,297.90	
Dividends	-	-	-	-	-	(6,000.00)	-	-	-	-	-	-	-	(6,000.00)	
Transfer to															
retained															
earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Any other															
change															
(to be															
specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at															
March 31,															
2021	-	-	-	-	-	72,545.57	-	-	-	-	-	-	-	72,545.57	

(2) Current reporting period

Particulars	Share appli- cation money pending allotment	Equity compo- nent of compound financial instru- ments	Reserves and Surplus										Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings (Refer Note 11(b))	Debt instru- ments through Other Compre- hensive Income	Equity Instru- ments through Other Compre- hensive Income	Effective portion of Cash Flow Hedges	Revalu- ation Surplus	Exchange differ- ences on transla- ting the financial state- ments of a foreign operation	Other items of Other Compre- hensive Income (specify nature)		
Balance at the April 01, 2021	-	-	-	-	-	72,545.57	-	-	-	-	-	-	-	72,545.57
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Maharashtra Natural Gas Limited

CIN: U11102PN2006PLC021839

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

(All Figures in Rupees Lakhs, unless otherwise stated)

Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	33,261.72	-	-	-	-	-	2.68	-	33,264.40
Dividends	-	-	-	-	-	(6,000.00)	-	-	-	-	-	-	-	(6,000.00)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2022	-	-	-	-	-	99,807.28	-	-	-	-	-	2.68	-	99,809.97



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated) Note 3: Property, plant and equipment

(All Figures in INR Lakhs, unless otherwise stated)

Particulars	Freehold Land	Buildings	Plant and Machinery - II #	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total PPE	Lease Asset	Capital work-in-progress
Year Ended March 31, 2021										
Gross carrying amount										
Opening gross carrying amount	1,425.47	81.38	104,019.52	207.16	113.87	164.86	4.06	106,016.31	5,158.29	13,239.26
Additions (Including Borrowing Cost)	-	-	7,562.13	3.27	25.28	45.53	-	7,636.21	3,201.70	28,931.27
Disposals/Deleased	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	(7,248.57)
Gross carrying amount as on March 31, 2022	1,425.47	81.38	111,581.65	210.43	139.15	210.39	4.06	113,652.52	8,359.99	34,921.97
Particulars	Freehold Land	Buildings	Plant and Machinery - II #	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total PPE	Lease Asset	Capital work-in-progress
Year Ended March 31, 2022										
Gross carrying amount										
Opening gross carrying amount	1,425.47	81.38	111,581.65	210.43	139.15	210.39	4.06	113,652.52	8,359.99	35,391.91
Additions (Including Borrowing Cost)	465.15	0.01	15,216.45	123.52	15.49	5.20	0.00	15,825.82	5,535.44	34,503.88
Disposals/Deleased	-	-	(827.10)	(4.36)	-	-	-	(831.47)	-	-
Transfers	-	-	-	-	-	-	-	-	-	(15,036.41)
Gross carrying amount as on March 31, 2022	1,890.62	81.38	125,970.99	329.58	154.64	215.59	4.06	128,646.87	13,895.43	54,859.39
Accumulated Depreciation and impairment										
Opening accumulated depreciation	-	8.34	21,512.60	178.69	75.31	96.76	3.28	21,874.99	1,873.87	-
Depreciation charge	-	1.39	5,532.14	38.54	18.24	20.18	0.54	5,611.02	1,231.14	-
Disposals/Deleased	-	-	(204.78)	(4.36)	-	-	-	(209.15)	-	-
Impairment Loss	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	9.73	26,839.96	212.87	93.55	116.94	3.82	27,276.86	3,105.01	-
Net carrying amount as at March 31, 2022	1,890.62	71.65	99,131.03	116.72	61.09	98.64	0.24	101,370.01	10,790.42	54,859.39



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)
Note 3: Property, plant and equipment

- (i) Refer to note 38 for information on property, plant and equipment pledged as security by the company.
- (ii) Contractual Obligations : Refer to note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (iii) Capital work-in-progress mainly comprise Pipeline-Steel/MDPE,CNG Stations,Restoration charges and Stores & Spares lying in godown and at vendor locations.
- (iv) The expenditure incidental to setting up of project is included in capital work-in-progress (CWIP) which is apportioned to the property,plant and equipment on completion of project. The Company has transferred amount of salary amounting to Rs. 666.46 Lakhs (previous year Rs. 478.30 Lakhs) to the cost of capital work-in-progress.
- (v) The operation of following customers were closed during 2020-21 on account of handover to M/s Torrent Gas Private Limited: A. Abhay CNG - Carrying amount Rs. 117.35 Lakhs, Accumulated Depreciation: Rs. 28.23 Lakhs , Sale value (Incl. Tax) Rs. 152.07 Lakhs B. Jai Ganesh Petroleum - Carrying amount Rs. 10.83 Lakhs , Accumulated Depreciation Rs. 2.72 Lakhs , Sale value (Incl. Tax) Rs. 3.89 Lakhs C. Balaji Petroleum - Carrying amount Rs. 8.78 Lakhs , Accumulated Depreciation Rs. 2.83 Lakhs , Sale value (Incl. Tax) Rs. NIL. D. NRO SUS Chandere CNG - Carrying amount Rs. 147.34 Lakhs , Accumulated Depreciation Rs. 10.29 Lakhs , Sale value (Incl. Tax) Rs. 199.15 Lakhs E. Nanded City (PNG) - Carrying amount Rs. 542.81 Lakhs, Accumulated Depreciation Rs. 160.71 Lakhs , Sale Value (Incl. Tax) Rs. 741.55 Lakhs

Ageing Schedule of CWIP :

(Amount in Rs. Lakhs)

Capital work-in-progress	Amount in CWIP for a period of				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	33,266	14,854	3,331	3,408	54,859
Projects temporarily suspended	-	-	-	-	-
	33,266	14,854	3,331	3,408	54,859

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Capital work-in-progress	To be completed in				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress (No such projects)	-	-	-	-	-
Projects temporarily suspended (No such projects)	-	-	-	-	-



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 4: Intangible assets

The following tables present the reconciliation of changes in carrying value of Intangible assets :

Particulars	Computer Software
Year ended March 31, 2021	
Gross carrying amount	
Opening gross carrying amount as on '01 April 2020	811.84
Additions	400.46
Closing gross carrying amount as on March 31, 2021	1,212.30
Accumulated amortisation	
Opening accumulated amortisation	709.08
Amortisation charge	87.31
Closing accumulated amortisation	796.39
Closing net carrying amount as on March 31, 2021	415.91

Particulars	Computer Software
Year ended March 31, 2022	
Gross carrying amount	
Opening gross carrying amount as on '01 April 2021	1,212.30
Additions	294.66
Closing gross carrying amount as on March 31, 2022	1,506.96
Accumulated amortisation and impairment	
Opening accumulated amortisation	796.39
Amortisation charge	224.27
Closing accumulated amortisation and impairment	1,020.66
Closing net carrying amount as on March 31, 2022	486.30



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)
Note 5: Other financial assets

Particulars	As at March 31,2022	As at March 31,2021
Non-current		
-Security deposit	1,226.51	567.78
-Bank deposits with more than 12 months maturity (Under lien against bank guarantees)	201.44	951.75
Total Non-current	1,427.95	1,519.53
Current		
Other Bank Deposits	103.52	-
Interest receivable	8.12	40.59
Unbilled revenue	566.31	502.23
Total Current	677.95	542.82
Total	2,105.90	2,062.35

The company has pledged its earmarked fixed deposits to fulfill collateral requirements.

Note 6: Other non-current assets

Particulars	As at March 31,2022	As at March 31,2021
Other advances	127.71	134.04
Total	127.71	134.04

There were no loans due from the directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

Note 7: Inventories

Particulars	As at March 31,2022	As at March 31,2021
Finished goods (at lower of cost and net realisable value)	175.21	46.22
Total	175.21	46.22

Note 8: Trade receivables

Particulars	As at March 31,2022	As at March 31,2021
Trade receivables	15,308.64	11,677.32
Receivables from related parties	1,094.83	476.81
Less: Allowance for doubtful debts	(2,415.06)	(2,116.85)
Total receivables	13,988.41	10,037.28

Break-up of trade receivables

-Trade receivables considered Good-secured	6,301.01	5,321.96
-Trade receivables considered Good-Unsecured	7,687.40	4,715.32
-Trade receivables considered which have significant increase in credit risk	-	-
-Trade receivables credit impaired	2,415.06	2,116.85
Total	16,403.47	12,154.13
Less: Allowance for doubtful debts	(2,415.06)	(2,116.85)
Total trade receivables	13,988.41	10,037.28



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivable Ageing Schedule:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(iii)Undisputed Trade Receivables – considered good						
FY 2021-22	12,125.00	531.99	450.97	2.06	80.34	13,190.36
FY 2020-21	8,983.85	632.99	68.48	212.37	139.60	10,037.28
(i) Undisputed Trade Receivables – considered doubtful						
FY 2021-22	6.74	8.52	18.64	25.67	12.72	72.30
FY 2020-21	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good						
FY 2021-22	725.75	-	-	-	-	725.75
FY 2020-21	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful						
FY 2021-22	96.46	201.75	-	185.71	1,931.14	2,415.06
FY 2020-21	-	-	185.71	1,216.41	714.73	2,116.85
Total						
FY 2021-22	12,953.96	742.26	469.62	213.45	2,024.20	16,403.47
FY 2020-21	8,983.85	632.99	254.19	1,428.78	854.33	12,154.13

Note 9: Cash and cash equivalents

Particulars	As at March 31,2022	As at March 31,2021
Balances with banks		
- in current accounts	7,472.96	3,051.11
Cash on hand	33.05	14.21
Total	7,506.01	3,065.32

Note 10: Other Current assets

Particulars	As at March 31,2022	As at March 31,2021
Unsecured considered good		
Advance to supplier and employees	7.89	7.88
Receivable from revenue authorities :		
- Cenvat recoverable	22.37	23.29
- VAT recoverable	8.58	28.83
- Balance with income tax	210.23	80.96
Stock of Stores and Spares	450.80	469.95
Prepaid expenses	209.67	56.54
Total	909.53	667.45



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 11: Equity share capital and other equity
11(a): Equity share capital

Authorised equity share capital:

Particulars	Number of shares (in lakhs)	Amount
As at '01 April 2020	1,000.00	10,000.00
Increase	-	-
As at 31 March 2021	1,000.00	10,000.00
Increase	-	-
As at 31 March 2022	1,000.00	10,000.00

(i) Movements in equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at '01 April 2020	1,000.00	10,000.00
Increase	-	-
As at 31 March 2021	1,000.00	10,000.00
Increase	-	-
As at 31 March 2022	1,000.00	10,000.00

Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares present at the meeting in person or by proxy, is entitled to one vote and upon a poll each share is entitled to one vote. The company declares and pays dividend in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing annual general meeting. In event of liquidation of the company, the holders of equity shares would be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders."

(ii) Details of shareholders holding more than 5% shares in the company
A) Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2022		As at March 31, 2021		
	No. of shares (in lakhs)	% of total shares	No. of shares (in lakhs)	% of total shares	% Change during the year
GAIL (India) Limited	224.88	22.49	224.88	22.49	-
Bharat Petroleum Corporation Ltd. (BPCL)	225.00	22.50	225.00	22.50	-

B) Shares held by others than promoters at the end of the year

Name of Shareholder	As at March 31, 2022		As at March 31, 2021		
	No. of shares (in lakhs)	% of total shares	No. of shares (in lakhs)	% of total shares	% Change during the year
Indraprastha Gas Limited	500.00	50.00	500.00	50.00	-



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

11 (b) Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Retained earnings	99,809.97	72,545.57
Total reserves and surplus	99,809.97	72,545.57

(i) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance (as previously reported)	72,545.57	61,247.67
Net profit	33,261.72	17,297.90
	105,807.28	78,545.57
Items of other comprehensive income recognised directly in retained earnings :		
-Remeasurement of post employment benefit obligation, net of tax	2.68	-
Dividend distributed to equity shareholders	(6,000.00)	(6,000.00)
Closing balance	99,809.97	72,545.57
Total reserves and surplus	99,809.97	72,545.57

Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 12 : Long-term borrowing

Particulars	Maturity Date	Terms of Repayment	Coupon or Interest rate	31-Mar-22	31-Mar-21
Secured Term loan					
From bank					
Rupee loan from state bank of india	31-Dec-22	Refer note below*	At MCLR **	2,965.97	8,029.52
HDFC bank sec rupee term loan from bank	25-Jul-25		At MCLR **	6,500.00	9,052.74
Bank of Baroda sec rupee term loan	30-Sep-33		At MCLR **	17,562.67	10,152.97
Total borrowings				27,028.64	27,235.23
Less: Current maturities of long-term debt (included in note 19)				4,465.96	6,008.00
Less: Interest accrued (included in note 19)				159.34	161.32
Non-current borrowings (as per balance sheet)				22,403.33	21,065.91

Non current borrowings :

Security :

- *SBI - Exclusive first charge on fixed Assets (moveable and immovable) of the company, both present and future.
- HDFC - Pari-passu charge on the fixed assets (moveable and immovable) of the company, both present and future except current assets where working capital vendors will have charge.
- BOB - Pari-passu charge on the fixed assets (moveable and immovable) of the company, both present and future pertaining to 3 GA's except current assets where working capital vendors will have charge.
- BOM - Exclusive charge on hypothecation of Receivables with minimum margin of 10%.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)
Note 12 : Long-term borrowing
Terms of Repayment :

- i. SBI - Monthly instalment of Rs. 334 Lakhs starting from 1st April 2018.
- ii. HDFC Bank - Half Yearly installment of Rs. 500 Lakhs each starting from July 01,2020 onwards.
- iii. BOB - Half Yearly installment of Rs. 2788 Lakhs each starting from December 31,2025 onwards.

The Carrying amount of financial and non financial assets pledged as security for current and non current borrowing are disclosed in note 37.

Coupon or interest rate :

- ** In case of SBI, at MCLR with half yearly reset.
- ** In case of HDFC bank, at MCLR with monthly reset.
- ** In case of BOB, at MCLR with monthly reset.

13 : Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security Deposit from customers	413.05	47.10
Total	413.05	47.10
Current		
Deposits (earnest money deposit)	222.30	233.32
Capital creditors	5,592.90	4,229.32
Employee related payables	578.34	515.47
Security Deposit from vendors	1,340.41	1,300.79
Security deposit from customers	12,764.76	10,158.33
Total	20,498.71	16,437.24
Total	20,911.76	16,484.34



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 14 : Provisions

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-current	Current	Non-current
(A) Provisions for employee benefits				
Leave Obligations (i)	61.72	289.47	58.50	248.01
Gratuity (ii)*	14.26	-	72.87	-
Provision for expenses	2,035.67	-	1,065.48	-
	2,111.65	289.47	1,196.86	248.01

Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 15 : Employee benefit obligations

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Leave obligations (i)	61.72	289.47	351.19	58.50	248.01	306.51
Gratuity (ii)*	14.26	-	14.26	72.87	-	72.87
Total employee benefit obligations	75.98	289.47	365.45	131.37	248.01	379.38

*In case of Actuarial valuation in respect of gratuity, in the current financial year i.e. FY 2021-22 all the valuation is taken considering Actuarial report submitted by an independent agency other than LIC. Payment towards the fund for gratuity is made on the basis of valuation submitted by LIC.

(i) Leave obligations

The leave obligation of the company's liability for earned leave as per actuarial report is as follows :

Particulars	March 31,2022	March 31,2021
Opening obligation	306.51	222.06
Add: Provision made during the year (net of payment)	44.69	84.45
Closing obligation	351.19	306.51

Company has made provision during the year of Rs. 78.43 lakhs (March 31,2021 - Rs. 84.45 lakhs),since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the the next 12 months.

Particulars	March 31,2022	March 31,2021
Current	61.72	58.50
Non current	289.47	248.01



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 15 : Employee benefit obligations
(ii) Post-employment obligations
(a) Gratuity:

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is funded plan and the company makes contributions to recognised funds in India viz. LIC of India. The expense recognised during the period towards defined contribution plan as per actuarial report is Rs. 40.29 Lakhs (March 31, 2021 - Rs. 58.76 Lakhs).

(iii) Defined contribution plans

The company also has certain defined contribution plans. Contributions made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The net liability disclosed above relates to funded and unfunded plans as per actuarial valuation is as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligation	283.40	351.19	229.91	306.51
Fair value of plan assets	269.15	-	157.04	-
Net deficit/(surplus)	14.25	351.19	72.87	306.51

(iv) Post employment benefits (Gratuity)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Discount rate	6.70%	6.70%	6.30%	6.30%
Annual increase in salary	7.00%	7.00%	6.00%	6.00%
Mortality table referred	IALM (2012-14) ultimate	IALM (2012-14) ultimate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Age withdrawal rate %	15.00%	15.00%	15.00%	15.00%

(v) Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the defined benefit obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 15 : Employee benefit obligations

Leave encashment

A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point

Discount rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
5.70%	370.10
7.70%	333.94

B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point

Salary increment rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
6.00%	336.97
8.00%	366.45

C) Impact of change in availment rate when base assumption is decreased/increased by 100 basis point

Availment rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
Decrease by 1%	339.02
Increase by 1%	362.50

Gratuity

A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point

Discount rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
5.70%	299.31
7.70%	268.93

B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point

Salary increment rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
6.00%	272.08
7.00%	295.07

C) Impact of change in availment rate when base assumption is decreased/increased by 100 basis point

Withdrawal rate	March 31, 2022 Defined benefit obligation (Rupees in Lakhs)
14.00%	283.46
16.00%	283.95



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 16 : Deferred tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
DEFERRED TAX LIABILITIES		
Opening Balance	5,851.17	4,502.32
	5,851.17	4,502.32
Changes during the year		
Impact of Expenditure charged to P&L in the current period but allowed for tax calculations on payment basis:		
Other	676.61	1,348.85
Deferred Tax impact during the year	676.61	1,348.85
Closing Balance	6,527.78	5,851.17

Note 17 : Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
(i) MSME	1,656.79	2,276.90
(ii) Others	2,385.11	1,684.25
(iii) Disputed dues- MSME		
(iv) Disputed dues - Others		
Trade payables to related parties out of above	7,367.86	3,634.91
Total	11,409.76	7,596.06

Relationship with Struck off companies

Name of the Struck off company	Nature of Transactions	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
SV TECH ENGINEERING	Payable	-	Vendor
AMOEBE EVENTS PVT. LTD.,	Payable	-	Vendor
REDINGTON INDIA LIMITED	Payable	-	Vendor
ACCURATE FLOWMETERS	Payable	-	Vendor

Trade Payables Ageing Schedule:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
FY 2021-22	897.45	142.44	91.83	80.02	1,211.74
FY 2020-21	1,888.78	119.81	20.12	248.19	2,276.90



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 17 : Trade payables

(ii) Others					
FY 2021-22	7,638.46	366.19	1,400.34	793.02	10,198.02
FY 2020-21	3,084.98	1,401.56	667.06	165.56	5,319.16
(iii) Disputed dues-MSME					
FY 2021-22	-	-	-	-	-
FY 2020-21	-	-	-	-	-
(iv) Disputed dues - Others					
FY 2021-22	-	-	-	-	-
FY 2020-21	-	-	-	-	-
Total					
FY 2021-22	8,535.91	508.64	1,492.17	873.04	11,409.76
FY 2020-21	4,973.75	1,521.37	687.18	413.75	7,596.06

Note 18: Tax liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current year movement		
Opening balance -	(204.39)	(129.26)
Current tax payable	10,670.48	5,074.87
Current tax payable- OCI	0.90	-
Adjustment of tax relating to earlier period	687.87	687.87
Less: Taxes paid	(9,000.00)	(5,150.00)
Closing balance	2,154.87	483.48

Note 19: Short Term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long-term borrowings	4,465.96	6,008.00
(note 12)		
Interest accrued (note 12)	159.34	161.32
Total	4,625.30	6,169.32

Short Term Borrowings:

1. Bank of Maharashtra

Working Capital facility has been sanctioned in September 2020 for Rs. 2500 Lakhs (Prev. Year : Rs. 2500 Lakhs) against security of trade receivables. Said limit has not yet utilised since the date of sanction. The Quarterly returns or statements of trade receivables is filed with banks are in agreement with the books of accounts.

2. Axis Bank

Working Capital facility has been sanctioned in December 2020 for Rs. 2500 Lakhs (Prev. Year : Rs. 2500 Lakhs) against security of trade receivables. Said limit has not yet utilised since the date of sanction. The Quarterly returns or statements of trade receivables is filed with bank + A76ks are in agreement with the books of accounts.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 20: Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Tax deducted at source payable	174.69	128.93
Balance payable to government authorities	156.56	263.22
Advance from customers	129.16	315.74
Total other current liabilities	460.41	707.89

Note 21: Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products (inclusive of excise duty)	136,616.41	78,792.00
	136,616.41	78,792.00
Other operating revenue		
Application fees	131.88	126.96
Other operating revenue	1,134.64	909.50
Recoveries from customers	257.95	197.72
	1,524.46	1,234.18
Total revenue from continuing operations	138,140.87	80,026.18

Note 22 : Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from Bank deposits	104.14	51.52
Profit or Loss on sale of assets	307.38	-
Income-interest on other deposits	13.60	20.14
Other Income	12.17	35.43
Total other income	437.29	107.09

Note 23 (a) Purchase of natural gas

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Natural gas cost	62,522.73	33,012.98
Total cost of natural gas purchase	62,522.73	33,012.98



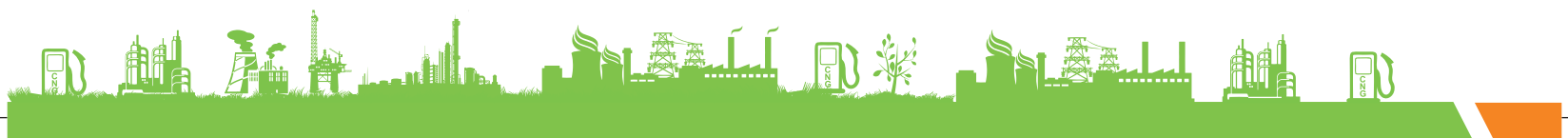
Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 23 (b) Change in inventories of stock-in-trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock		
Stock-in-trade	46.22	36.33
	46.22	36.33
Less: Closing stock		
Stock-in-trade	175.21	46.22
	175.21	46.22
Total	(128.99)	(9.89)



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 24 : Employee benefits expense

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, wages and bonus		1,670.27	1,237.70
Secondment expenses		203.39	191.19
Contribution to provident and other funds		151.15	112.72
Gratuity expense	15	40.29	58.76
Leave compensation	15	78.43	93.55
Staff welfare expenses		38.82	31.76
Total		2,182.36	1,725.67

Note 25 : Depreciation and amortization expense

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation of property, plant and equipment	3	6,842.16	6,336.99
Amortization of intangible assets	4	224.27	87.31
Total		7,066.43	6,424.30

Note 26: Finance costs

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on borrowing	1,155.90	1,506.79
Bank charges	65.13	116.27
Interest other than borrowing*	542.98	702.64
Total	1,764.00	2,325.70

* Lease interest

Note 27 : Other expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Consumption of Fuel	2,077.75	1,033.67
Power and fuel	1,113.66	685.08
Captive consumption	964.10	348.59
Administrative expenses	2,651.63	1,998.89
Repairs & maintenance (General)	2.35	5.82
Vehicle hiring charges	150.88	114.65
Annual day & other events expenses	72.58	57.04
Subscription / membership fees (journal/recreations, etc.)	12.93	55.28
Statutory charges & taxes (rates & taxes)	134.61	104.71
Profit or Loss on sale of assets	-	8.55



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 27 : Other expenses

General expenses	1.70	0.03
News paper & periodicals	0.14	0.90
Rent for office, warehouse, CNG stations, etc.	152.66	138.12
Insurance (assets, health, etc.)	141.57	73.30
Legal expenses	46.30	61.61
Postage & courier exp. and telephone exp.	41.87	44.39
Recruitment expenses	3.73	2.49
Professional fees	262.55	126.08
Printing & stationery	18.19	25.67
Security agency expenses	199.80	125.64
Training and seminar expenses	12.77	2.34
Safety expenses	43.65	12.44
House keeping expenses	74.05	61.45
Conference expenses (board meeting expenses)	4.78	1.22
Director sitting fees	17.70	13.69
Travelling expenses	71.16	33.61
Stores and spares consumed	55.01	3.18
Corporate social responsibility (CSR)	726.57	430.44
SAP support costs	269.00	496.24
PNGRB Application Fees	100.00	-
Loss on sale of Scrap	35.07	-
Selling & distribution expenses	1,238.70	547.20
Advertisement exps. /business & sales promotion Exp	81.25	125.71
PMPML Commission	27.91	-
CNG cascade transport charges	900.57	286.22
Marketing expenses (DMA charges)	228.96	135.26
Operations and maintenance expenses	4,602.57	3,974.86
Operations and maintenance expenses CNG	3,485.70	3,295.30
Operations and maintenance expenses PNG	1,116.87	679.56
Total expenses	10,570.65	7,554.62



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 27: (a) Details of payment to auditors

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Payment to auditors		
As auditor:		
Audit fee	15.03	12.51
Total payments to auditors	15.03	12.51

Note 27: (b) Corporate social responsibility expenditure

'Rs. In Lakhs

'Rs. In Lakhs

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(i) Amount required to be spent by the company during the year	488.79	441.15
(ii) Amount of expenditure incurred	485.97	398.04
(iii) Shortfall at the end of the year	2.82	43.11
(iv) Total of previous years shortfall	-	74.00
(v) Reason for shortfall	Pertains to Govt Projects	Pertains to Govt Projects
(vi) Nature of CSR activities	<ul style="list-style-type: none"> - Contribution to skill development-Health Awareness - Contribution to rural sport and women empowerment - Contribution to education program - Contribution to PM CARES Fund 	<ul style="list-style-type: none"> -Contribution to skill development-Health Awareness - Contribution to rural sport and women empowerment - Contribution to education program - Contribution to PM CARES Fund
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	188.57	95.21



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 28: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	Notes	March 31, 2022	March 31, 2021
(a) Income tax expense			
Current tax			
Current tax on profits for the year	18	10,670.48	5,074.87
Previous year tax		-	(47.74)
Current tax expense		10,670.48	5,027.13
Deferred tax	16	676.61	1,348.85
Deferred tax expense/(benefit)		676.61	1,348.85
Total Income tax expense		11,347.10	6,375.98
Income tax expense is attributable to:			
Profit from continuing operations		11,347.10	6,375.98



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 29: Fair value measurements

Financial instruments by category

Particulars	Note Ref.	March 31, 2022			March 31, 2021		
		FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets							
Trade receivables	8	-	-	13,988.41	-	-	10,037.28
Cash and cash equivalents	9	-	-	7,506.01	-	-	3,065.32
Security deposits	5	-	-	1,226.51	-	-	567.78
Earmarked fixed deposits	5	-	-	201.44	-	-	951.75
Other fixed deposits	5	-	-	103.52	-	-	-
Interest receivable	5	-	-	8.12	-	-	40.59
Unbilled revenue	5	-	-	566.31	-	-	502.23
Total financial assets		-	-	23,600.32	-	-	15,164.95
Financial liabilities							
Borrowings (including interest accrued)	12	-	-	27,028.64	-	-	27,235.23
Security deposits	13	-	-	1,340.41	-	-	1,300.79
Security deposit from customers	13	-	-	13,177.81	-	-	10,205.43
Earnest money deposits	13	-	-	222.30	-	-	233.32
Capital creditors	13	-	-	5,592.90	-	-	4,229.32
Trade payables	17	-	-	11,409.76	-	-	7,596.06
Employee related payables	13	-	-	578.34	-	-	515.47
Total financial liabilities		-	-	59,350.15	-	-	51,315.63

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 30: Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, it have taken various measures.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of the same in the financial statements.

Risk	Exposure arising from	Measurement	Management
Foreign currency Risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Management follows established risk management policies, including use of derivatives like foreign exchange forward contracts
Credit	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis, external credit rating (wherever available)	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The company's risk management is carried out by management, under policies approved by the board of directors. Company's treasury identifies, evaluates and hedges financial risks in close cooperation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

A) Foreign currency risk

The company is exposed to foreign exchange risk mainly through its purchases from overseas suppliers in various foreign currencies. The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk."

Foreign currency sensitivity

There shall be no material impact on profit before tax due to 1% increase/decrease in foreign exchange rates.

B) Credit risk

Credit risk in case of the company arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

(i) Credit risk management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward looking information such as:"

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to counterparty's ability to meet its obligations,
- Significant increases in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 30: Financial risk management

The company provides for expected credit loss in case of trade receivable when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The company categorises a receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(ii) Provision for expected credit loss

Financial assets for which loss allowance is measured using Lifetime expected credit losses (ECL)

Exposure to risk	March 31,2022	March 31,2021
Trade receivables	16,403.47	12,154.13

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

(iii) Reconciliation of loss allowance provision - Trade receivables

	March 31,2022	March 31,2021
Loss allowance Opening Balance	2,116.85	2,116.85
Provided during the year	298.21	-
Loss allowance Closing Balance	2,415.06	2,116.85

C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is carried out in accordance with practice and limits set by the group. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31,2022	March 31,2021
Floating rate		
- Expiring within one Year (bank overdraft and other facilities)	5,000	2,500

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings at the reporting date based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year
March 31,2022		
Borrowings	4,465.96	22,562.68
Other financial liabilities	9,116.67	11,795.09
Total financial liabilities	13,582.63	34,357.77

Contractual maturities of financial liabilities	Less than 1 year	More than 1 year
March 31,2021		
Borrowings	6,008.00	21,227.23
Other financial liabilities	7,173.04	9,264.20
Total financial liabilities	13,181.04	30,491.43

Note 31: Capital Management

(a) Risk Management

The company's objectives when managing capital are to

- Safeguard it's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The company's strategy is to maintain a gearing ratio within 60%. The gearing ratios were as follows:

Particulars	March 31,2022	March 31,2021
Net debt	19,522.62	24,169.91
Total equity	109,809.97	82,545.57
	129,332.59	106,715.48
Net debt to equity + debt ratio	15.09%	22.65%

i) Loan Covenants

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:

Particulars	2021-22	2020-21
Current Ratio	0.55	0.44
TOL/TNW	8.66	7.01
PBDIT/Int.	0.75	0.81
G.DSCR	30.29	14.68
ROCE	35.54	27.79



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 31: Capital Management
ii) Ratios:

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	2021-22	2020-21
Current ratio	Current Assets	Current Liabilities	0.55	0.44
Debt Equity Ratio	Debt	Shareholders Equity	0.25	0.33
Debt Service Coverage Ratio	PBDIT	Current maturities of debt	8.66	7.01
Return on Equity Ratio*	Profit After Tax	Shareholders Equity	30.29	18.69
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	0.65	0.46
Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	10.54	8.51
Trade Payables Turnover Ratio	Net Credit Purchases	Average Accounts Payable	6.58	5.34
Net Capital Turnover Ratio	Net Sales	Average Working Capital	(7.31)	(4.24)
Net Profit Ratio*	Profit After Tax	Net Sales	26.27	23.58
Return of Capital Employed*	PBDIT	Capital Employed	35.54	27.79
Return on Investment	PAT	COST of Investment	NA	NA

*Revenue growth, along with higher efficiency on working capital improvement has resulted in an improvement in the ratio.

(b) Dividends

During the current year, the Company paid dividend of Rs. 6 per equity share for financial year 2020-21 amounting to Rs. 6000 Lakhs [Previous year, Rs. 6 per equity share for financial year 2019-20 amounting to Rs. 6000 Lakhs].



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 32: Segment information

The company operates in a single segment of city gas selling and distribution in Pune and adjoining areas and there are no separate reportable segments and therefore the disclosure requirements under Ind AS 108 on "Segment Reporting" notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules and other relevant provisions of the act as amended from time to time are not applicable.

Note 33 : Related party transactions

a) Associate entities

The company is controlled by the following entities:

Name	Type	Place of incorporation	Ownership interest	Ownership interest
			March 31, 2022	March 31, 2021
GAIL (India) Limited	Associate	India	22.49%	22.49%
Bharat Petroleum Corporation Ltd. (BPCL)	Associate	India	22.50%	22.50%
Indraprastha Gas Limited (IGL)	Associate	India	50.00%	50.00%

b) Key Management Personnel of the entity

Details	March 31, 2022	March 31, 2021
Managing Director - GAIL (India) Limited	D. Sawant (From 06.04.2021)	S. Halder (upto 05.04.2021)
Director (Commercial) - Bharat Petroleum Corporation Ltd. (BPCL)	S.Sharma	S. Sontakke (upto 29.01.2022)
Director (Commercial) - Bharat Petroleum Corporation Ltd. (BPCL)		S. Sharma (From 30.01.2021)

c) Transactions with related parties

The following transactions occurred with related parties:

Particulars	March 31, 2022	March 31, 2021
Indraprastha Gas Limited (IGL)		
Dividend paid	3,000.00	3,000.00
Sitting fees paid	6.49	3.89
Bharat Petroleum Corporation Limited (BPCL)		
Sales and Purchases of goods and services		
Sale of goods to parent entity	13,426.74	7,384.85



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 33 : Related party transactions

Reimbursement of expenses to parent entity	1.62	1.29
Salaries, allowances and other related payments to parent entities	96.28	94.37
Trade margin payable	211.83	147.78
Dividend paid to parent entity	1,350.00	1,350.00
Sitting fees paid	3.66	2.01
GAIL (India) Limited		
Sales and Purchases of goods and services		
Purchases of raw material from parent entity	71,947.26	37,775.77
Reimbursement of expenses to parent entity	7.02	6.47
Salaries, allowances and other related payments to parent entities	104.09	89.06
Dividend paid to parent entity	1,349.98	1,350.00
Sitting fees paid	2.83	2.01

(d) Outstanding balances arising from sales / purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	March 31,2022	March 31,2021
Trade payables (purchases of goods and services)		
BPCL	-	-
GAIL	5,805.85	2,267.37
Indraprastha Gas Limited	-	-
Payables for expenses		
BPCL	17.04	33.53
GAIL	7.97	8.46
Indraprastha Gas Limited	0.45	0.83
Payable for trade margin		
BPCL	1,536.55	1,324.72
Total payable to related parties (Note 17)	7,367.86	3,634.91
	March 31,2022	March 31,2021
Trade receivable (sale of goods and services)		
BPCL	1,094.83	476.81
Provision for doubtful debts	-	-
Expense recognised during the period in respect of bad and doubtful debts	-	-
Total receivable from related parties (Note 8)	1,094.83	476.81



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 33 : Related party transactions

(e) Terms and conditions

Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders.

Goods were sold to parent entities during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are repayable in cash.

Note 34: Contingent liabilities

The company had contingent liabilities at March 31, 2022 in respect of :

1. Bank guarantees - Rs. 27816.01 Lakhs (Previous Year Rs. 13997.36 Lakhs)
2. Appeal filed in respect of disputed demands :
 - Sales tax for FY 2009-10 Rs. 35.47 Lakhs net of refund of Rs. 8 Lakhs (Previous Year Rs. 35.47 Lakhs net of refund of Rs. 8 Lakhs)
3. Claims against the company not acknowledged as debt Rs. 100 Lakhs (Previous Year Rs. 70 Lakhs)
4. Appeal filed in respect of disputed demand in GSTAT (previously known as CESTAT):
 - Service tax under RCM for the period July 12 to Mar 18 on restoration charges Rs. 2657.10 Lakhs and penalty of Rs. 2658.21 Lakhs, Total Rs. 5315.31 Lakhs (Previous Year Rs. 5315.31 lakhs)
5. The company is in the process of finalization of trade margin connected with sale to Oil Marketing Companies (OMCs). For the period 01st April 2019 to 30th November 2021, the estimated additional trade margin payable as demanded by OMCs over and above offered by the company is to the tune of Rs. 2790 Lakhs. (Previous year Rs. 2304 Lakhs)
6. As per TRACES website, TDS mismatch shown across various years is Rs. 0.47 Lakhs (Previous Year Rs. 3.62 Lakhs). Company is in the process of identifying and rectifying the same.

Note 35: Commitments

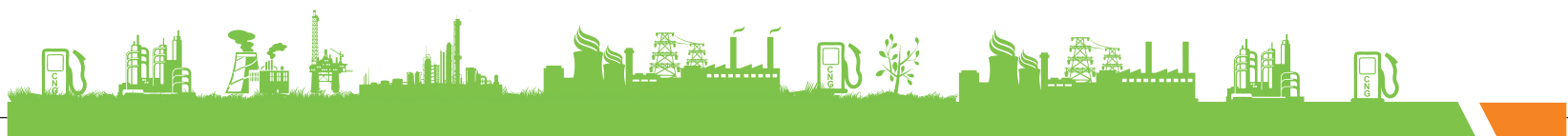
(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31,2022	March 31,2021
Property, plant and equipment	42,642.32	22,121.62

(b) Non-cancellable operating leases

The company leases various offices/ residential premises and warehouses under non-cancellable operating leases expiring beyond five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are negotiated.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 35: Commitments
(b) Non-cancellable operating leases

The company leases various offices/ residential premises and warehouses under non-cancellable operating leases expiring beyond five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are negotiated.

Particulars	March 31,2022	March 31,2021
Commitments for minimum lease payments		
in relation to non-cancellable operating		
leases are payable as follows:		
Within one year	754.48	451.17
Later than one year but not later than five years	2,435.38	1,590.18
Later than five years	3,053.51	3,722.82
Total	6,243.37	5,764.16

Rental expenses relating to operating leases

Particulars	March 31,2022	March 31,2021
Minimum lease payments		
Total rental expense relating to operating leases	152.66	138.12

Reconciliation of Lease Expense as per Notes with Lease Expense in Profit and Loss Account

Particulars	March 31,2022
Total Lease expense during the year	1,004.20
Lease expense of current year transferred under IND AS 116	851.54
Balance Lease Expense shown in Profit and Loss	152.66

*Above expense of Rs. 152.66 Lakhs is after adjustment of IND AS 116 as reflected in profit and loss account.

Note 36: Events occurring after the reporting period

Other events

Refer to note 42 for the final dividend recommended by the Board of Directors which is subject to the approval of shareholders in the ensuing Annual General Meeting. "

Note 37: Earnings per share

Particulars	March 31,2022	March 31,2021
Net profit attributable to the equity shareholders of the company	33,261.72	22,332.83
Weighted average number of equity shares of Rs. 10/- each (Nos. in lacs)	1,000.00	1,000.00
Basic & diluted earnings per share (Rs.)	33.26	22.33



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 37: Earnings per share

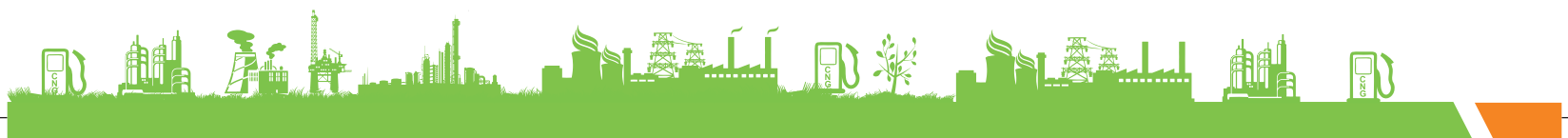
Weighted average number of shares used as the denominator

Particulars	March 31,2022	March 31,2021
Total outstanding equity shares	1,000.00	1,000.00
Weighted average number of equity shares of Rs. 10/- each	1,000.00	1,000.00

Note 38: Assets pledged as security (Gross)

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	March 31, 2022	March 31, 2021
Non-current			
Primary security			
On assets in the form of fixed assets created out			
of term loan	12	27,029	27,235
Collateral security			
Pari Passu over residual assets in the form of			
fixed assets along with current assets and			
equitable mortgage over land at Chikhali	3	157,985	122,552
Total assets pledged as security		185,013	149,787



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 39:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006

The disclosures pursuant to the said MSMED Act are as follows:

Particulars	Note	March 31, 2022	March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due to Micro, Small and Medium Enterprises	17	1,656.79	2,276.90
- Interest due on above		-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		-	-
(c) 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 the MSMED Act 2006.		-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year		-	-
(e) 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 of the MSMED Act 2006		-	-

Note 40:

Security deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as current liabilities as every customer has a right to request for termination of supply and the company does not have a contractual right to delay payment for more than 12 months. However, if customer request for disconnection of PNG supply before completion of 05 years from commencement date, then no security deposit taken against PNG installation shall be refunded. Security deposit shall be refunded as and when customer request after completion of 5 years from the commencement date. "

Note 41:

During the year ended 31st March 2022, an amount of Rs. 1189.03 Lakhs (Previous Year Rs. 747.60 Lakhs) was provided in the books of account towards estimated revision in trade margin payable to oil marketing companies (OMCs) as well as NRO dealer for the sale of CNG from their respective outlets based on the ongoing negotiations with them.

Note 42: Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of authorisation of the Company's financial statements. However, the Board of Directors have recommended a final dividend of Rs. 10.00 per fully paid equity share (March 31, 2021 - Rs. 6.00). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.



Maharashtra Natural Gas Limited

Notes to the financial statements

(All Figures in Rupees Lakhs, unless otherwise stated)

Note 43: Previous year's figures

Previous year's figures have been regrouped/reclassified, wherever considered necessary.

As per our report of even date attached

For M/s SUN SVG & ASSOCIATES

Chartered Accountants

Firm Registration Number: 118693W

CA Shubhada V. Ghanawat

Partner

Membership No : 046402

UDIN : 22046402AIWOTB9641

For and on behalf of the Board of Directors of

Maharashtra Natural Gas Limited

Sd/

Deepak Sawant

Managing Director

DIN: 07339381

Sd/-

Sanjay Sharma

Director (Commercial)

DIN: 09025971

Sd/-

Sarathy M K

Chief Financial Officer

Sd/-

Shreya Prabhudesai

Company Secretary

A48866

Date : 11/05/2022

Place : Pune





SPORTS DAY





WOMEN'S DAY CELEBRATION 2021





Independence DAY CELEBRATION 2021





“Dedicated for Cleaner & Greener Environment”



Maharashtra Natural Gas Limited

(A Joint Venture of GAIL and BPCL)

Registered Office : Plot No. 27, “A” Block, 1st Floor, PMPML Commercial Building, Narveer Tanajiwadi, Shivajinagar, Pune – 411005

Corporate Office: 4th Floor, Pride Purple Cornet, Baner Road, Baner, Pune – 411045

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