EASTERN INDIA LPG COMPANY PRIVATE LIMITED

ANNUAL REPORT 2021–22

EASTERN INDIA LPG COMPANY PRIVATE LIMITED

BOARD OF DIRECTORS

Raj K. Chandaria
Amal R. Chandaria
Kanwaljit Nagpal

BANKERS

Axis Bank Ltd.

AUDITORS

J. A. Rajani & Co.
Chartered Accountants
Mumbai

REGISTERED OFFICE

502, Skylon, G.I.D.C.,
Char Rasta, Vapi – 396 195
Dist. Valsad, Gujarat State

INDEPENDENT AUDITOR'S REPORT

To the members of **Eastern India LPG Company Private Limited**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Eastern India LPG Company Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

Basis for Opinion

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

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

Key audit matters

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

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information 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.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard on the even date.

Management's Responsibility for the Financial Statements
The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 controls system, in relation to the financial statements, in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

We communicate with the Management, 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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) 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.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
According to information and explanations given to us, there no remuneration paid by the Company to its directors during the year .

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

i. The Company did not have any pending litigations which will have an impact on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company 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, as disclosed in note 14 to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed 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) contain any material mis- statement.

v. The Company has not paid /declared dividend during the current year and previous year.

For J. A. Rajani & Co.
Chartered Accountants
Firm Registration No: 108331-W

Proprietor
Membership No: 116740
Place: Mumbai
Date: 27th May 2022
UDIN 22116740ANTGSF1018

“Annexure A” to the Independent Auditors’ Report of even date on the Financial Statements of Eastern India LPG Company Private Limited

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

1) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.The Company does not have any intangible assets.

The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

The title deeds of immovable property are held in the name of the Company.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2) The Company does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

3) The Company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f.) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 and 186.Therefore reporting under clause (iv) of the Order is not applicable.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed

statutory dues including Goods and service tax, Income-Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of Goods and service tax ,income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

9) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (ix)(a) to (f) of the Order is not applicable to the Company.

10) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

11) Based upon the audit procedures performed and the information and explanations given by the management, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Section 192 of the Act are not applicable to the Company.

16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act,1934.Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

17) The Company has incurred cash losses of Rs. 0.46 lakhs in the current and Rs. 0.44 in the immediately preceding financial year.

18) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that the 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 give neither 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.

20) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For J. A. Rajani & Co.
Chartered Accountants
Firm Registration No: 108331-W

Proprietor
Membership No: 116740
Place: Mumbai
Date: 27th May 2022
UDIN 22116740ANTGSF1018

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Balance Sheet as at 31st March, 2022

	Note	As at 31st March, 2022	As at 31st March, 2021
Assets			
Non current assets			
Property, plant and equipment	8	5.11	5.23
Capital work-in-progress	8	97.55	97.55
Other non current assets	9	6.32	6.32
Total non current assets		**108.98**	**109.10**
Current assets			
Financial assets			
i. Cash and cash equivalents	10	0.45	0.92
Other current assets	11	-	-
Total current assets		**0.45**	**0.92**
Total assets		**109.43**	**110.02**
Equity and liabilities			
Equity			
Equity share capital	12	1.00	1.00
Other equity	13	(24.03)	(17.37)
Total equity		**(23.03)**	**(16.37)**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	14	71.75	65.68
Total non-current liabilities		**71.75**	**65.68**
Current liabilities			
Financial liabilities			
ii. Trade payables			
Total outstanding dues of creditors of micro enterprises and small enterprises	15	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	60.71	60.71
iii. Other financial liabilities		-	-
Deferred tax liabilities (net)		-	-
Provisions		-	-
Other current liabilities		-	-
Total current liabilities		**60.71**	**60.71**
Total liabilities		**132.46**	**126.39**
Total equity and liabilities		**109.43**	**110.02**

See accompanying notes to the financial statements

For J.A RAJANI & CO.
Chartered Accountants

PRITESH RAJANI
Proprietor
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN : 00037518
Place: Mumbai
Date: May 27, 2022

Kanwaljit S. Nagpal
Director
DIN : 00012201

EASTERN INDIA LPG COMPANY PRIVATE LIMITED

(All amounts are in INR lakhs except for earning per share information)

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

		Note	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from operations		-	-
II	Other income		-	-
III	**Total income (I + II)**		**-**	**-**
IV	**Expenses**			
	Depreciation and amortisation expense	8	0.12	0.12
	Finance costs	16	6.09	5.58
	Other expenses	17	0.45	0.39
	Total expenses		**6.66**	**6.09**
V	**Profit before tax (III- IV)**		**(6.66)**	**(6.09)**
VI	**Income tax expense**			
	Current tax		-	-
	Deferred tax		-	-
	Total tax expense		**-**	**-**
VII	**Profit for the year (V- VI)**		**(6.66)**	**(6.09)**
VIII	**Other comprehensive income/(loss)**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligations		-	-
	(ii) Income tax relating to above items that will not be reclassified to profit or loss		-	-
	Other comprehensive (loss) (Net of tax)		-	-
IX	**Total comprehensive income(VII+VIII) (Comprising profit and other comprehensive income for the year)**		**(6.66)**	**(6.09)**
X	**Earnings per equity share for profit from continuing operation attributable to owners of ALL**	**18**		
	Basic earnings per share (Rs.)		(0.67)	(0.61)
	Diluted earnings per share (Rs.)		(0.67)	(0.61)

See accompanying notes to the financial statements

For J.A RAJANI & CO.
Chartered Accountants

PRITESH RAJANI
Proprietor
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN : 00037518
Place: Mumbai
Date: May 27, 2022

Kanwaljit S. Nagpal
Director
DIN : 00012201

EASTERN INDIA LPG COMPANY PRIVATE LIMITED

(All amounts are in INR lakhs, unless stated otherwise)

Cash Flow Statement for the year ended 31st March, 2022

	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flow from operating activities		
Profit before tax	(6.66)	(6.09)
Adjustments for:		
Depreciation and amortisation	0.12	0.12
Finance costs	6.09	5.58
Operating profit before working capital changes	**(0.45)**	**(0.39)**
Adjustments for changes in working capital:		
Decrease in current assets	-	-
Cash (used in) operations	**(0.45)**	**(0.39)**
Income tax paid	-	-
Net cash (used in) operating activities	**(0.45)**	**(0.39)**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital advances	-	-
Net cash flow from / (used in) investing activities	**-**	**-**
Cash flow from financing activities		
Proceeds from borrowings	0.00	1.00
Interest paid	(0.02)	(0.05)
Net cash (used in)/ generated from financing activities	**(0.02)**	**0.95**
Net (decrease)/ increase in cash and cash equivalents	(0.47)	0.56
Cash and cash equivalents as at the beginning of the year	0.92	0.36
Cash and cash equivalents as at the end of the year	**0.45**	**0.92**
Cash and cash equivalents includes:		
Cash and cash equivalents (refer note 10)		
In current accounts	0.45	0.92
	0.45	**0.92**

1. Figures in bracket indicate cash outflow

For J.A RAJANI & CO.
Chartered Accountants

PRITESH RAJANI
Proprietor
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN : 00037518
Place: Mumbai
Date: May 27, 2022

Kanwaljit S. Nagpal
Director
DIN : 00012201

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Statement of changes in equity

A. Equity share capital

Particulars	Balance as at April 1, 2020	Issue of share	Balance as at March 31, 2021	Issue of share	Balance as at 31st March, 2022
Equity share capital	1.00	-	1.00	-	1.00

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total equity
	Securities premium	Capital reserves	Capital redemption reserves	General Reserves	Debenture Redemption Reserves	Retained earnings/ (accumulated deficit)	Remeasurement of defined benefit obligations	
Balance as at April 1, 2020	**-**	**-**	**-**	**(0.22)**	**-**	**(11.06)**	**-**	(11.28)
Profit for the year	-	-	-	-	-	(6.09)	-	(6.09)
Addition/ reduction during the year	-	-	-	-	-	0.00	-	0.00
Other comprehensive income	-	-	-	-	-	-	-	-
Balance at March 31, 2021	**-**	**-**	**-**	**(0.22)**	**-**	**(17.15)**	**-**	(17.37)
Profit for the year	-	-	-	-	-	(6.66)	-	(6.66)
Addition/ reduction during the year	-	-	-	0.22	-	(0.22)	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Balance at March 31, 2022	**-**	**-**	**-**	**-**	**-**	**(24.03)**	**-**	**(24.03)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For J.A RAJANI & CO.
Chartered Accountants

PRITESH RAJANI
Proprietor
Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN : 00037518
Place: Mumbai
Date: May 27, 2022

Kanwaljit S. Nagpal
Director
DIN : 00012201

Notes to the Financial Statements

1 General information

EASTERN INDIA LPG COMPANY PRIVATE LIMITED ('the Company') having its registered office at 502, 5th Floor, Skylon GIDC, Char Rasta, Vapi - 396195, was incorporated on 09th August,1994 vide certificate of incorporation No U23202GJ1994PTC022714 issued by the Registrar of Companies, Gujarat.

2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

3 Basis of preparation and presentation

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 inputs are unobservable inputs for the asset or liability.

4 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest lakh with two decimals, unless otherwise indicated.

5 <u>Statement of significant accounting policies</u>

I) <u>Foreign currencies</u>

Foreign currency transactions
Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent measurement

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Notes to the Financial Statements

II) <u>Property, plant and equipment</u>

i) Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises
a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.,
b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

ii) Subsequent expenditure:
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

iii) Depreciation / amortization
Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight line method. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013.
Depreciation on additions during the year has been provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished has been provided on prorata basis.
Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter on a straight line basis.

III) Intangible assets
Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Computer software is amortized on straight line basis over a period of its estimated useful life, however not exceeding 5 years.

Notes to the Financial Statements

IV) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

V) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

Debt Instruments at Amortised Cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Notes to the Financial Statements

Debt Instruments at FVOCI

A 'debt instrument' is measured at the fair value through other comprehensive income(FVOCI) if both the following conditions are met:

a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in Statement of Profit and Loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

ii) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

In accordance with Ind AS 27 company has elected the policy to account investments in subsidiaries at cost.

iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain of loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Notes to the Financial Statements

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

iv) Impairment of financial assets

Financial assets of the company comprise of trade receivable and other receivables consisting of loans, deposits, input credit receivables and bank balance. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Statement of Profit and Loss for the year.

v) Financial liabilities and equity instruments

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short term profit taking; or
- it is derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminated or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping in provided internally on that basis; or

Notes to the Financial Statements

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and in included in the 'Other income' line item.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

iv) Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

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

VI) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including cross currency interest rate swaps. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Company designates derivatives as hedging instruments in respect of foreign currency risk as fair value hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

Notes to the Financial Statements

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it to the hedged item.no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

VII) Borrowing cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

VIII) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) or low-value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term or low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

IX) Inventories

Inventories are carried at lower of cost and net realizable value. Cost is determined by using the First in First Out formula. Costs comprise all cost of purchase, cost of conversion and cost incurred in bringing the inventory to their present location and condition other than taxes that are subsequently recoverable by the Company from tax authorities.

X) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

XI) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Service revenue is recognised based on contract terms and on time proportion basis as applicable and excludes Goods and Services Tax.

XII) Other income

Dividend and Interest income

Dividend income is recognised when right to receive payment has been established.

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

Notes to the Financial Statements

XIII) Retirement and other employee benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund, leave encashment and superannuation fund (for eligible employees).

Defined contribution plans

Retirement benefits in the form of provident fund and superannuation fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss as incurred.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Company’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term benefits

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are recognized in the other comprehensive income.

XIV) Taxation

Income tax expenses represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Financial Statements

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

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

The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii) Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

iv) Minimum alternate tax credit

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XIV) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Notes to the Financial Statements

XV) Share-based payment arrangements

Equity-settled share-based payments to employees of the Company are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee stock option outstanding in other equity.

At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

6 Critical accounting judgments and key sources of estimation uncertainty and recent pronouncements :

A Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources.

The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Property, plant and equipment :

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

b) Recognition and measurement of defined benefit obligations :

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

Notes to the Financial Statements

7 **Recent pronouncements**

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

i. Ind AS 101 – First time adoption of Ind AS
ii. Ind AS 103 – Business Combination
iii. Ind AS 109 – Financial Instrument
iv. Ind AS 16 – Property, Plant and Equipment
v. Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets

Application of above standards are not expected to have any significant impact on the company's financial statements.

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 8
Property, plant and equipment - As at 31st March, 2022

Description	Gross block				Accumulated depreciation				Net block
	As at April 1, 2021	Additions	Deductions	As at 31st March, 2022	As at April 1, 2021	Charge for the year	Deductions	As at 31st March, 2022	As at 31st March, 2022
Building	8.10	-	-	8.10	2.95	0.12	-	3.07	5.03
Office equipment	3.02	-	-	3.02	2.96	-	-	2.96	0.06
Furniture and fixtures	1.65	-	-	1.65	1.63	-	-	1.63	0.02
Total	**12.77**	**-**	**-**	**12.77**	**7.54**	**0.12**	**-**	**7.66**	**5.11**

Property, plant and equipment - As at March 31, 2021

Description	Gross block				Accumulated depreciation				Net block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	Charge for the year	Deductions	As at March 31, 2021	As at March 31, 2021
Building	8.10	-	-	8.10	2.83	0.12	-	2.95	5.15
Office equipment	3.02	-	-	3.02	2.96		-	2.96	0.06
Furniture and fixtures	1.65	-	-	1.65	1.63		-	1.63	0.02
Total	**12.77**	**-**	**-**	**12.77**	**7.42**	**0.12**	**-**	**7.54**	**5.23**

Property, plant and equipment
Depreciation and amortisation for the year

Particulars	**31st March, 2022**	**31st March, 2021**
Depreciation on property, plant and equipment	0.12	0.12
Amortisation	-	-
Total	**0.12**	**0.12**

Capital Work in Progress ageing schedule.

Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at March 31, 2022	-	-	-	97.55	97.55
As at March 31, 2021	-	-	-	97.55	97.55

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 9
Other non-current assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with statutory authorities	6.32	6.32
Total	**6.32**	**6.32**

Note 10
Cash and cash equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank balances		
- Current accounts	0.45	0.92
Cash on hand	-	-
Cash and cash equivalents as presented in the balance sheet	**0.45**	**0.92**

Note 11
Other current assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other current assets	-	-
	-	**-**

EASTERN INDIA LPG COMPANY PRIVATE LIMITED

(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 12

Equity share capital

Particulars	As at 31st March, 2022 Number of Shares	As at 31st March, 2022 Amount	As at 31st March, 2021 Number of Shares	As at 31st March, 2021 Amount
[a] Authorised share capital				
Equity shares of the par value of Rs 10 each	50,000	5.00	50,000	5.00
Total	**50,000**	**5.00**	**50,000**	**5.00**
[b] Issued, subscribed and paid up				
Equity shares of Rs.10 each	10,007	1.00	10,007	1.00
Total	**10,007**	**1.00**	**10,007**	**1.00**

[c] Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity :	As at 31st March, 2022 Number of Shares	As at 31st March, 2022 Amount	As at 31st March, 2021 Number of Shares	As at 31st March, 2021 Amount
At the beginning of the year	10,007	1.00	10,007	1.00
Issued during the year	-	-	-	-
At the end of the year	**10,007**	**1.00**	**10,007**	**1.00**

[d] Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held and to dividend, if declared and paid by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

[e] Details of shareholders holding more than 5% of the aggregate shares in the Company and the details of share held by the promoters :

Name of the shareholder	As at 31st March, 2022 Number of Shares	As at 31st March, 2022 Percentage	As at 31st March, 2021 Number of Shares	As at 31st March, 2021 Percentage
Equity shares of Rs.10/- each fully paid				
Aegis Logistics Limited	10,007	100.00%	10,007	100.00%
- % Change during the year		0.00%		0.00%

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 13
Securities Premium

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	-	-
Addition during the year	-	-
Balance as at the end of the year	**-**	**-**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013. No dividend can be distributed out of this fund.

Capital reserve

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	-	-
Addition during the year	-	-
Balance as at the end of the year	**-**	**-**

Capital redemption reserve

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	-	-
Addition during the year	-	-
Balance as at the end of the year	**-**	**-**

The Company is required to create a capital redemption reserve out of the profits when any capital is redeemed. Capital Redemption Reserve can be utilized only for issuing fully paid bonus shares. No dividend can be distributed out of this fund.

Debenture redemption reserve

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	-	-
Addition during the year	-	-
Balance as at the end of the year	**-**	**-**

General Reserve

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	(0.22)	(0.22)
Add: Transferred to Retained earnings	0.22	-
Balance as at the end of the year	**-**	**(0.22)**

Retained earnings

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Balance as at the beginning of the year	(17.15)	(11.06)
Profit for the year	(6.66)	(6.09)
Transferred from General Reserve	(0.22)	0.00
Balance as at the end of the year	**(24.03)**	**(17.15)**

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 14
Current financial liability - Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Unsecured Loans		
Ind AS Loans from Holding Company	0.09	(5.98)
From related parties	71.66	71.66
Total	**71.75**	**65.68**

Note 15
Current Financial Liability-Trade payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade payables		
Total outstanding dues of creditors of micro enterprises and small enterprises (Refer note Note 15.1)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	60.71	60.71
Total	**60.71**	**60.71**

Note 15.1
On the basis of the information and records available with the company there are no dues payable to Micro, Small and Medium Enterprises. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

Note 15.2
Trade Payables ageing schedule from the due date of payments :
As at March 31, 2022

Particulars	Note Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1.03	-	-	-	59.68	60.71
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1.03	-	-	-	59.68	60.71

As at March 31, 2021

Particulars	Note Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1.03	-	-	-	59.68	60.71
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1.03	-	-	-	59.68	60.71

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 16
Finance costs

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on borrowings	6.07	5.53
Other borrowing costs	0.02	0.05
Total	**6.09**	**5.58**

Note 17
Other expenses

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Rates and taxes	0.06	0.02
Professional fees	0.39	0.37
Sundry Debit Balances written off	-	-
Miscellaneous operating expenses	-	-
Total	**0.45**	**0.39**

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 18

Earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for basic and diluted earnings per share	(6.66)	(6.09)
Weighted average number of equity shares	10	10
Basic and diluted /earnings per share (Rs.)	(0.67)	(0.61)

Reconciliation of weighted average number of equity shares:

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Equity shares outstanding at the beginning of the year	10,007	10,007
Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	10,007	10,007
Total weighted average number of shares	**10,007**	**10,007**

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

EASTERN INDIA LPG COMPANY PRIVATE LIMITED

(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 19

Ratio

Ratio	March 31, 2022	March 31, 2021	% Variation	Reason for variation
Current Ratio	0.01	0.02	-51%	Refer note 1
Debt-Equity Ratio	(3.12)	(4.01)	-22%	Refer note 2
Debt Service Coverage Ratio	(0.07)	(0.07)	0%	Refer note 2
Return on Equity Ratio	33.81%	44.06%	-23%	Refer note 2
Inventory turnover ratio	-	-	NA	Refer note 3
Trade Receivables turnover ratio	-	-	NA	Refer note 3
Trade payables turnover ratio	-	-	NA	Refer note 3
Net capital turnover ratio	-	-	NA	Refer note 3
Net profit ratio	-	-	NA	Refer note 3
Return on Capital employed	-1.17%	-1.03%	14%	Refer note 2
Return on investment	-	-	NA	Refer note 4

Reason for variation

1. Due to decrease in cash and bank balances as compared to previus year
2. Not applicable as the variation is < 25%
3. These ratios is not applicable as company has not yet started business operations.
4. This ratio is not applicable as company doesn’t have any investments.

Numerators and Denominators considered for the aforesaid ratios:

Ratio	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Total Debt	Shareholder’s Equity
Debt Service Coverage Ratio	Earnings available for debt service *	Debt Service **
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder’s Equity
Inventory turnover ratio	Cost of goods sold	Average Inventory
Trade Receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables
Net capital turnover ratio	Net Sales	Working Capital
Net profit ratio	Net Profit	Net Sales
Return on Capital employed	Earning before interest and taxes	Capital Employed ***
Return on investment		

* Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc

** Debt service = Interest & Lease Payments + Principal Repayments

*** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

EASTERN INDIA LPG COMPANY PRIVATE LIMITED
(All amounts are in INR lakhs, unless stated otherwise)

Notes to the Financial Statements

Note 20
Related party transactions

A. List of related parties and relationships:

Name of the Related Party	Relationship
Aegis Logistics Limited	Holding Company

B. Details of transactions with related parties:

Sr.	Name of the related party	Transactions		Balances	
		As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
	Holding Company				
	Aegis Logistics Limited				
1)	Equity share capital issued	-	-	1.00	1.00
2)	Loan received	-	-	71.75	65.68
3)	Interest expense	6.07	5.53	-	-

Note 21 Approval of financial statements:
The financial statements were approved for issue by the Board of Directors on May 27, 2022

For and on behalf of the Board of Directors

Raj K. Chandaria
Director
DIN : 00037518
Place: Mumbai
Date: May 27, 2022

Kanwaljit S. Nagpal
Director
DIN : 00012201