



July 09, 2024

To,

<b>National Stock Exchange of India Limited</b> "Exchange Plaza" Bandra-Kurla Complex, Bandra (East) Mumbai – 400 051 Scrip Symbol: IRMENERGY	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 Scrip Code: 544004
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**Sub: Annual Report for the financial year 2023-24 including the Notice of 09<sup>th</sup> Annual General Meeting ("AGM")**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed herewith the Annual Report of the Company for the financial year 2023-24 along with the Notice of 09<sup>th</sup> Annual General Meeting ("AGM"), which is being sent to the Members of the Company through electronic mode, who have registered their e-mail addresses with the Depositories/Company in compliance with circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The 09<sup>th</sup> AGM of the Company will be held on **Friday, August 02, 2024** at 11.00 a.m. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM).

The Company is pleased to provide its members the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on the resolutions set out in the AGM Notice. The e-voting shall commence on **Tuesday, July 30, 2024**, at 9.00 a.m. (IST) and will end on **Thursday, August 01, 2024**, at 5:00 p.m. (IST).

The voting rights of members shall be in the proportion to their shares of the paid-up equity share capital of the Company. Only those persons, whose name is recorded in the register of members or in the register of beneficial owners maintained with the depositories as of the cut-off date i.e. **Friday, July 26, 2024**, will be entitled to vote on the resolutions as mentioned in the AGM Notice.

The Annual Report 2023-24 containing the Notice of the 09<sup>th</sup> AGM is also available on the website of the Company at [www.irmenergy.com](http://www.irmenergy.com)

You are requested to take the same on your record.

Thanking you

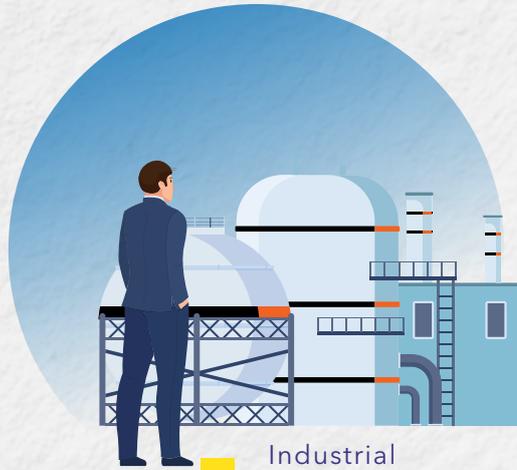
Yours sincerely,

**For, IRM Energy Limited**

**Harshal Anjaria**  
CFO

**IRM ENERGY LIMITED**

**Registered Office** : 4<sup>th</sup> Floor, 8<sup>th</sup> Block, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Thaltej, Ahmedabad, Gujarat-380054, India  
**Email** : [info@irmenergy.com](mailto:info@irmenergy.com) | **Phone** : 079-49031500 | **Website** : [www.irmenergy.com](http://www.irmenergy.com) | **CIN** : L40100GJ2015PLC085213



Industrial



Automobile  
Transport



Commercial



Domestic

Committed.  
Capable.  
Confident.



# Committed. Capable. Confident



Industrial



Commercial



Automobile  
Transport



Domestic

At IRM Energy Limited, we are thrilled to embark on the next phase of growth, driven by goal - **Expanding, Diversifying, and Progressing Sustainably**. Our mission is to extend our reach and bring reliable natural gas solutions to more communities across India. With new projects and an ever-growing network, we are ensuring that our energy solutions are accessible, safe, and efficient for all our customers, whether industrial, commercial, or domestic.

Our journey of diversification is fuelled by innovation and a commitment to meeting the evolving energy needs of our customers. We are not only expanding our pipeline networks and CNG retail outlets but also investing in cutting-edge technologies and sustainable practices. This approach allows us to offer a wider range of energy solutions, ensuring that we cater to the diverse requirements of different sectors while upholding our promise of quality and reliability.

Sustainability is at the core of our growth strategy. We believe that progress should not come at the expense of the environment. By integrating sustainable practices into our operations and fostering a culture of safety and customer satisfaction, we aim to make a positive impact on the communities we serve. As we unlock new opportunities, we are committed to building a greener future, where energy is both abundant and environment friendly, benefitting all stakeholders involved.

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We are an integrated value driven energy enterprise, developing natural gas distribution projects in the geographical areas ("GAs") allotted to us for industrial, commercial, domestic and CNG automobile customers. We focus on meeting the energy needs of customers in our GAs through our pipelines and CNG station network at a competitive price, while maintaining high safety standards.



**Maheswar Sahu**  
Chairman



For more additional information about the company log on to [www.irmenergy.com](http://www.irmenergy.com)



Scan QR code to see this annual report online

# Corporate Information

## Board of Directors

### Mr. Maheswar Sahu

Chairman and Non-Executive Director  
DIN: 00034051

### Dr. Rajiv I Modi

Non-Executive Director  
DIN: 01394558

### Mr. Amitabha Banerjee

Non-Executive Director  
DIN: 05152456

### Mr. Badri Narayan Mahapatra

Non-Executive Director  
DIN: 02479848

### Mr. Chikmagalur Kalasheety Gopal

Non-Executive Independent Director  
DIN: 08434324

### Mr. Anand Mohan Tiwari

Non-Executive Independent Director  
DIN: 02986260

### Mrs. Geeta Amit Goradia

Non-Executive Independent Director  
DIN: 00074343  
(Director till January 06, 2024)

### Mr. Rabindra Nath Nayak

Non-Executive Independent Director  
DIN: 02658070

### Mrs. Kaushal Nakrani

Additional Non-Executive Independent Director  
DIN: 08405226  
(Director w.e.f. June 01, 2024)

## Key Managerial Personnel

### Mr. Karan Kaushal

Chief Executive Officer

### Mr. Harshal Anjaria

Chief Financial Officer

### Ms. Shikha Jain

Company Secretary & Compliance Officer  
(Upto June 21, 2024)

## Statutory Auditor

### Mukesh M. Shah & Co.,

Chartered Accountants, Ahmedabad

## Cost Auditor

### Dalwadi & Associates

Cost Accountants, Ahmedabad

## Secretarial Auditor

### M. C. Gupta & Co.,

Company Secretaries, Ahmedabad

## Internal Auditor

### P D Goinka & Co.,

Chartered Accountants, Ahmedabad

## Stock Code:

BSE: 544004  
NSE: IRMENERGY  
ISIN: INE07U701015

## Banking Partners

Bank of Baroda  
Union Bank of India  
Punjab National Bank  
HDFC Bank Limited  
Kotak Mahindra Bank  
IndusInd Bank

## Registrar And Transfer Agent

### Link Intime India Private Limited

C-101, 247 Park, L.b.s. Marg, Vikhroli West,  
Mumbai - 400083

## Registered Office:

4th Floor, 8th Block, Magnet Corporate  
Park, Nr. Sola Bridge, S. G. Highway, Thaltej,  
Ahmedabad - 380054, Gujarat, India

CIN: L40100GJ2015PLC085213

Phone: +91-079-49031500

Email: [Investor.relations@irmenergy.com](mailto:Investor.relations@irmenergy.com)

Website: [www.irmenergy.com](http://www.irmenergy.com)

# About us

IRM Energy Limited (IRMEL) stands as a leading force in City Gas Distribution (CGD) with over eight years of dedicated experience. We specialize in developing robust natural gas distribution networks across various districts in India, catering to a diverse clientele that includes industrial, commercial, domestic, and automobile sectors.

## How We Do it



### Infrastructure Development

We have built an extensive network of over **4,907 inch-km** of pipelines, utilizing advanced materials and technologies to maximise efficiency and safety.



### Strategic Expansion

Our strategic approach involves continuous expansion through strategic bidding and partnerships. We have established **82 CNG retail outlets** and secured exclusive rights to supply natural gas in new regions, broadening our reach and impact.



### Safety Commitment

The safety of our customers and staff is our paramount concern. We adhere to the highest safety standards, ensuring a secure and reliable energy supply.



### Customer Focus

With a commitment to exceptional customer service, we proudly serve over **66,228 domestic customers, 195 industrial customers** and **340 commercial customers**, ensuring their energy needs are met with the highest standards of safety and reliability.



### Technological Solutions

By integrating innovative technological solutions, we have rapidly grown and adeptly managed the dynamic changes within the energy sector, positioning ourselves as a forward-thinking leader.

## What We Do

At IRMEL, we develop and operate extensive natural gas distribution projects, ensuring a reliable supply of Piped Natural Gas (PNG) to households, industries, and commercial establishments, alongside Compressed Natural Gas (CNG) for vehicles. Our projects span across multiple geographical areas, including Banaskantha, Fatehgarh Sahib, Diu & Gir-Somnath, and the newly awarded regions of Tiruchirappalli and Namakkal.



### Our Vision

To be an integrated, value-driven energy enterprise, by realizing the potential of natural gas, realizing value from technology, striving for excellence in performance, and contributing to the Enterprise and Society.



### Our Mission

Achieve sustainable development and highly profitable growth.

Adopt the latest technologies and implement best practices, thus achieving performance.

Maintain high industry standards in Environment, Health and Safety.

Serve the growing energy needs of our geographical areas.

Meet and exceed customer expectations in terms of quality and service.



### Our Values

We take immense pride in our commitment to contributing positively to the well-being of the communities and environments where we operate. Our sense of duty and responsibility drives us to uphold the highest standards in everything we do, ensuring that our efforts benefit both people and the planet.

**314**

Dispensing Points

**340**

Commercial customers

**66,228**

Domestic customers

**82**

CNG Stations

**195**

Industrial customers

**4,907** Inch Km

**2,281** km

Steel & MDPE Pipeline



# Chairman's Message



**Maheswar Sahu**  
Chairman

## Dear Shareholders,

It is a pleasure to share my thoughts with you at the culmination of an eventful financial year. As we continue our journey forward, we deeply cherish the trust and support of all our customers and stakeholders.

Despite global economic uncertainty, geopolitical tensions in Europe and the Middle East, climate change and supply chain disruptions that created a challenging operating environment, the Indian economy remained resilient. We persevered through volatilities to deliver robust financial performance for the year under review and remained steadfast to serve customers and create value for our stakeholders.

Taking into consideration the growing emissions from the energy sector and its impact on the environment, countries all over the world are resorting to cleaner and greener sources of fuel. Natural gas has continued to be a preferred choice for leading a sustainable change. It is considered to be an economical, convenient, safe and environment-friendly alternative to non-renewable sources of energy. The Indian government has also undertaken an ambitious plan to significantly boost the country's natural gas consumption by three-fold, to about 500 MMSCMD by 2030, up from the current 185 MMSCMD. We realise the immense potential lying in this space and our consistent efforts to make a difference has enabled us to take a leading role in contributing towards this transformation.

### A milestone year

The enthusiasm with which our Initial Public Offering (IPO) was received in the market underscores the strength of our company. It also underlines our continued commitment to our customers, investors, shareholders and not in the least our young employees including a strong core team, who have



At IRM Energy, our commitment to foster a better tomorrow encourages us to preserve the environment and improve lives through education, skill development and community development initiatives. As a responsible corporate entity, we are committed to consistently reducing our environmental footprint, safeguarding the best interests of our stakeholders and adhering to the highest standards of corporate governance.



made it possible for us to realise our vision of inclusive, sustainable growth.

In its seventh year of operation, our company successfully transitioned to a publicly listed entity, marking a significant milestone. This achievement underscores the dedication, integrity, and managerial acumen of our leadership team including the KMPs and SMPs. Their unwavering commitment has been instrumental in creating substantial value for the organization, earning the trust and confidence of public investors.

At the outset, I would like to thank all of them for their contribution to the success of the IPO, which opened on October 18, 2023, to an excellent response and was oversubscribed 27.05 times. This overwhelming response will enable us to further

strengthen the foundations of the edifice on which we have built a robust organisation, designed for continuing and sustainable business growth.

We continue to improve our reach in authorised GAs to provide access to clean, efficient and cost-effective natural gas to a wide range of customers. While we continue to strengthen our core business of setting up Compressed Natural Gas (CNG) stations for automobiles, laying pipeline for supplying piped natural gas (PNG) to households, commercial establishments and industrial units and construction of city gate stations to receive natural gas from transmission pipelines, we also remain focused on improving our geographic footprint. We currently operate in Gujarat, Punjab, Tamil Nadu and the Union Territory of Daman and Diu.

During the financial year, we have reported a gross turnover of ₹9,565.40 million against ₹10,391.35 million in FY23. Our consolidated PAT also saw a significant rise, increasing from ₹631.36 million in FY23 to ₹856.63 million in FY24. The consolidated earnings per share stood at ₹24.47 for FY 2024 in comparison to ₹21.18 in FY 2023. Besides, our net worth has surpassed ₹9,300 million at the end of FY24, showcasing the strength and resilience of our business model. These impressive figures are a testament to our unwavering commitment to operational excellence, strategic decision-making and a relentless focus on delivering value to our stakeholders even in the face of challenging market conditions.

By leveraging our core strengths of building infrastructure for natural gas pipelines to exploring better sourcing opportunities, we have focused on strengthening our foothold in the industry with exceptional service and high standards of safety. We hold exclusive rights for the distribution of CNG and PNG within our authorised geographical areas, as per authorisation from the Petroleum and Natural Gas Regulatory Board (PNGRB). It

enables us to ensure uninterrupted supply of natural gas to customers.

We have also adopted cutting-edge technologies to enhance operational efficiency across our CNG and PNG distribution networks. By implementing SCADA automation at CNG stations and RFID systems for improved safety, we optimise processes and reduce risks. Our collaborations with industry leaders such as ShizGas and Mindra EV highlight our commitment to innovation, energy efficiency and sustainability. This comprehensive approach reinforces our commitment to making sustainable energy solutions easily accessible for a large section of the population where we operate.

At IRM Energy, our commitment to foster a better tomorrow encourages us to preserve the environment and improve lives through education, skill development and community development initiatives. As a responsible corporate entity, we are committed to consistently reducing our environmental footprint, safeguarding the best interests of our stakeholders and adhering to the highest standards of corporate governance. Through our collaboration with the Indrashil Kaka Ba and Kala Budh Public Charitable Trust, we showcase our commitment to promoting education and improving educational facilities, thereby contributing to the creation of an environment that fosters quality education and empowers students to excel in their chosen fields.

In conclusion, I would like to extend my heartfelt gratitude to all our stakeholders for your support and encouragement. Looking ahead, we seek to pave the path for a sustainable energy future where ecological alternatives are easily available and accessible.

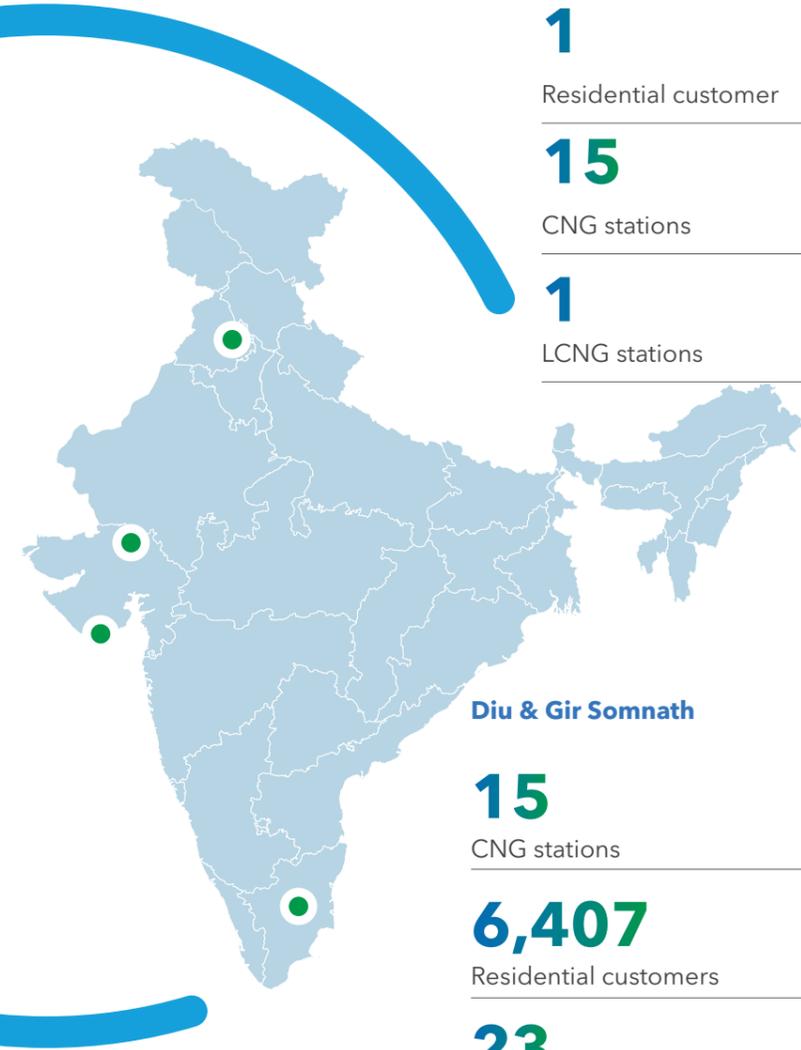
Warm Regards,

**Maheswar Sahu**  
Chairman

## Where we are

# Our Presence

We are committed to reaching out to every prospective natural gas user within our authorized GAs, ensuring the highest standards of safety and delivering top-notch customer service.



### Namakkal & Tiruchirappalli

**1**  
Residential customer

**15**  
CNG stations

**1**  
LCNG stations

### Diu & Gir Somnath

**15**  
CNG stations

**6,407**  
Residential customers

**23**  
Commercial customers

**1**  
LCNG Station

### Fatehgarh Sahib

**10**  
CNG stations

**6,051**  
Residential customers

**75**  
Commercial customers

**181**  
Industrial customers

### Banaskantha, Gujarat

**53,769**  
Residential customers

**242**  
Commercial customers

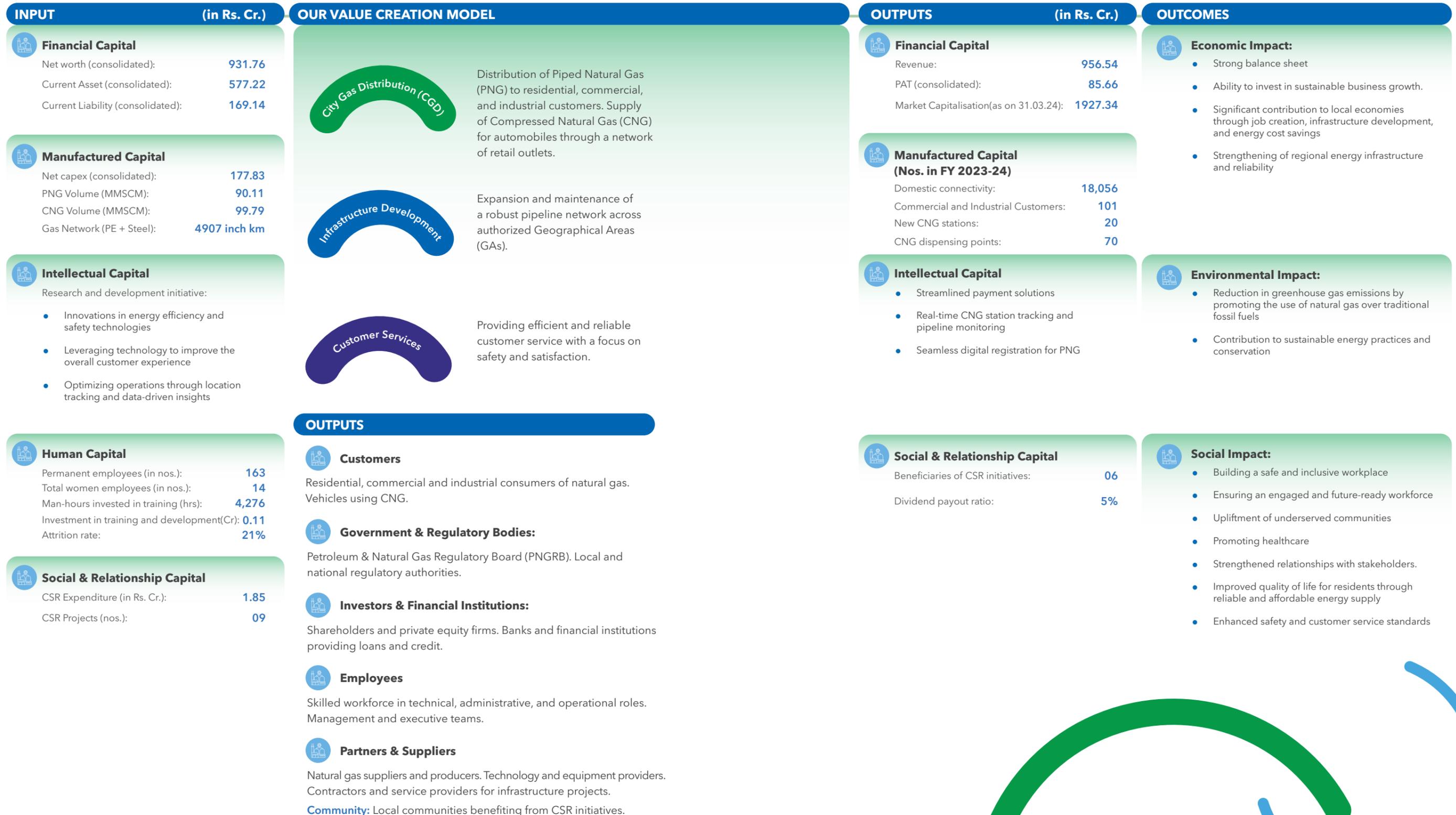
**14**  
Industrial customers

**2**  
Fast EV DC Charging Station

## Our Business segments



# Business Model



# Key Highlights

## Operational Highlights

**189.90**  
**MMSCM**

Total Sales Volume

## CNG SEGMENT

**99.79**  
**MMSCM**

CNG Volume

**20**

No of CNG stations added in FY24

**70**

No of CNG Dispensing Points added in FY24

**82**

Cumulative CNG Stations

**314**

Cumulative CNG Dispensing Points

## PNG SEGMENT

**76.38**  
**MMSCM**

PNG Industrial Volume

**1.52**  
**MMSCM**

PNG Commercial Volume

**6.58**

**MMSCM**

PNG Domestic Volume

**5.63**  
**MMSCM**

Natural Gas Trading

**16**

No of PNG Industrial Customers Added in FY24

**92**

No of PNG Commercial Customers Added in FY24

**18,056**

No of PNG Domestic Customers Added in FY24

**195**

Cumulative PNG Industrial Customers

**340**

Cumulative PNG Commercial Customers

**66,228**

Cumulative PNG Domestic Customers

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## Financial Highlights

Revenue from Operations (Rs Cr)



Gross Margin (%)



EBITDA Margin (Consolidated) (%)



PAT (Consolidated) (Rs Cr)



PAT Margin (%)



Cash Flow from Operations (Rs Cr)



# Our Strength

**We stand out with our exclusive rights in CNG and PNG distribution, backed by robust infrastructure development and exceptional operational efficiency. Our diverse customer portfolio, strong parentage, and strategic technology adoption, drive sustainable growth and profitability.**

By leveraging strategic pipeline connectivity and efficient gas sourcing, coupled with strong financial performance, we embody resilience, innovation, and market leadership in the energy sector.

## S1 Exclusivity in CNG and PNG Supply

We hold exclusive rights for the distribution of CNG and PNG within our authorised geographical areas (GAs) awarded to us, as per the authorization from the Petroleum and Natural Gas Regulatory Board (PNGRB). This exclusivity is time-bound, ensuring that we are the sole distributor in these regions during the specific period. Additionally, we have been granted a 25-year network exclusivity for infrastructure development across all our GAs. This includes the construction and maintenance of pipelines and CNG infrastructure. These rights enable us to establish a robust infrastructure, ensuring an uninterrupted supply of natural gas and fostering customer loyalty.

## S3 Diverse Customer Portfolio and Robust Distribution Network

We have cultivated strong relationships with a diverse customer base, spanning across industrial, commercial, and domestic sectors, through collaborative efforts and competitive offerings. By leveraging technology, we continuously upgrade our services to meet evolving customer needs. Our extensive distribution network for CNG and PNG, supported by a dynamic business model, ensures adaptability and resilience, providing a natural hedge against market instability across different industries and locations.

## S2 Successful Development and Operation of CGD Business

We have effectively developed and managed our City Gas Distribution (CGD) business in the geographical areas (GAs) awarded to us. Our accomplishments include constructing an extensive network of pipelines and CNG stations, demonstrating our strong in-house project management capabilities. These operations are supported by robust maintenance processes and a solid relationship with vendors, suppliers, and contractors, enabling us to expand our network efficiently and cost-effectively.

Our commitment to health and safety is evident through the implementation of rigorous safety management systems, ensuring the safe, reliable, and uninterrupted distribution of natural gas. Governance and operational efficiency are maintained through stringent internal monitoring processes and systems, overseen by our skilled management team.

## S4 Strong Parentage and Experienced Leadership

We benefit from the robust support of Cadila Pharmaceuticals Limited, an Indian multinational with over three decades of experience in the pharmaceutical industry. This partnership offers us strategic and financial advantages, aiding us in overcoming entry barriers such as significant investment requirements. Our experienced board of directors offers strategic guidance, while our senior management team brings extensive expertise in the natural gas and petroleum industries. Additionally, our technically proficient execution team is dedicated to quality and expansion, driving our growth and operational excellence.

## S5 Technology Adoption for Operational Efficiency

We have strategically adopted cutting-edge technologies to enhance operational efficiency across our CNG and PNG distribution networks. By implementing SCADA automation at CNG stations and RFID systems for improved safety, we optimize processes and reduce risks. Our collaborations with industry leaders such as ShizGas and Mindra EV underscore our commitment to innovation, energy efficiency and sustainability. Furthermore, digital solutions, including GIS planning and 24x7 customer support, streamline operations, ensuring agility and excellence in service delivery driving cost savings.



## S6 Strategic Pipeline Connectivity and Gas-Sourcing Efficiency

Our strategic acquisition of GAs with direct access to cross-country gas pipelines minimizes transportation costs and ensures efficient gas sourcing. By leveraging pipelines such as GAIL's Dadri-Bawana Nangal and GSPL's network, coupled with mid to long-term GSPAs with suppliers such as GAIL and RIL, we secure gas at competitive prices. This enables us to offer industrial PNG customers cost-effective alternatives, fostering their transition to natural gas while enhancing market competitiveness and operational viability.

## S7 Strong financial performance with consistent growth and profitability supported by healthy operating efficiency and favourable regulations

We have achieved consistent revenue growth over the years, supported by healthy year-on-year growth in volume. This success is driven by our infrastructure augmentation and increased penetration in the Banaskantha and Fatehgarh Sahib GAs.



# Our Business Strategies

At IRM Energy Limited, our business strategies are meticulously crafted to drive expansion, technological advancement, vertical integration, and cost-effective operations.

Through optimized distribution channels, technological adoption, vertical integration, strategic gas sourcing, and successful PNGRB bidding processes, we are committed to enhancing operational efficiency, customer value, and sustainable growth, solidifying our position as a leading energy solution provider.



## Expansion Strategy through Enhanced Distribution Channels

Our strategy involves expanding our presence in both existing and new GAS by optimizing our captive distribution channels. We prioritise the use of DODO and COCO Stations for CNG distribution, capitalising on cost-saving advantages and reinforcing our corporate identity through branding. These stations will also serve as energy retailers for a variety of fuels including CNG, biofuel, LNG, EV charging, and battery swap services.

To enhance efficiency and reduce billing costs, we are implementing pre-paid meters for PNG domestic customers and AMR systems for commercial and industrial segments, ensuring better cash flow management.

Leveraging technical expertise from partners like ShizGas, we aim to facilitate seamless transitions to natural gas and optimize consumption. Strategically located LCNG stations further optimize operational efficiency. Our strategic acquisitions and planned expansions are designed to meet growing demand and geographic synergies.

## Vertical Integration Strategy for Comprehensive Energy Solutions

Our strategic focus on vertical integration aims to diversify and drive robust business growth, enhancing revenue streams through investments in complementary ventures. With equity holdings in Farm Gas, Venuka Polymers, and Ni Hon Cylinders, we strengthen our position as a complete energy solution provider, fostering synergies across diverse sectors. This approach facilitates the in-house development of allied products, reduces reliance on third-party vendors, and opens avenues for renewable energy projects like CBG/ Bio-CNG and solar energy initiatives. Collaborative efforts with industry leaders like ShizGas further enrich our capabilities, allowing us to explore opportunities in international LNG procurement and domestic distribution. This reinforces our commitment to sustainable energy solutions.



## Technological Advancements

Our commitment to technological advancement, exemplified by SCADA implementation for unmanned CNG operations, underscores our focus on efficiency and accuracy. By leveraging technologies such as SCADA, GIS, and AMR Systems, we optimize operational costs while enhancing service quality. Collaborating with industry leaders like ShizGas enables us to further innovate, implementing best practices in distribution, system engineering, and energy conservation. These efforts ensure sustained value for our customers and stakeholders.

## Strategic Gas Sourcing Policy for Cost-Effective Operations

Our persistent approach to gas procurement emphasizes index linkages, diversified contracts, and efficient cost management. Leveraging agreements with industry leaders like GAIL, RIL, and potential collaboration with ShizGas for LNG imports, we ensure reliable and competitively priced gas sourcing. Exploration of bilateral contracts and gas exchange platforms further enhances our flexibility and market presence, optimizing our position in the natural gas sector.

## PNGRB Bidding and Authorization Process for CGD Expansion

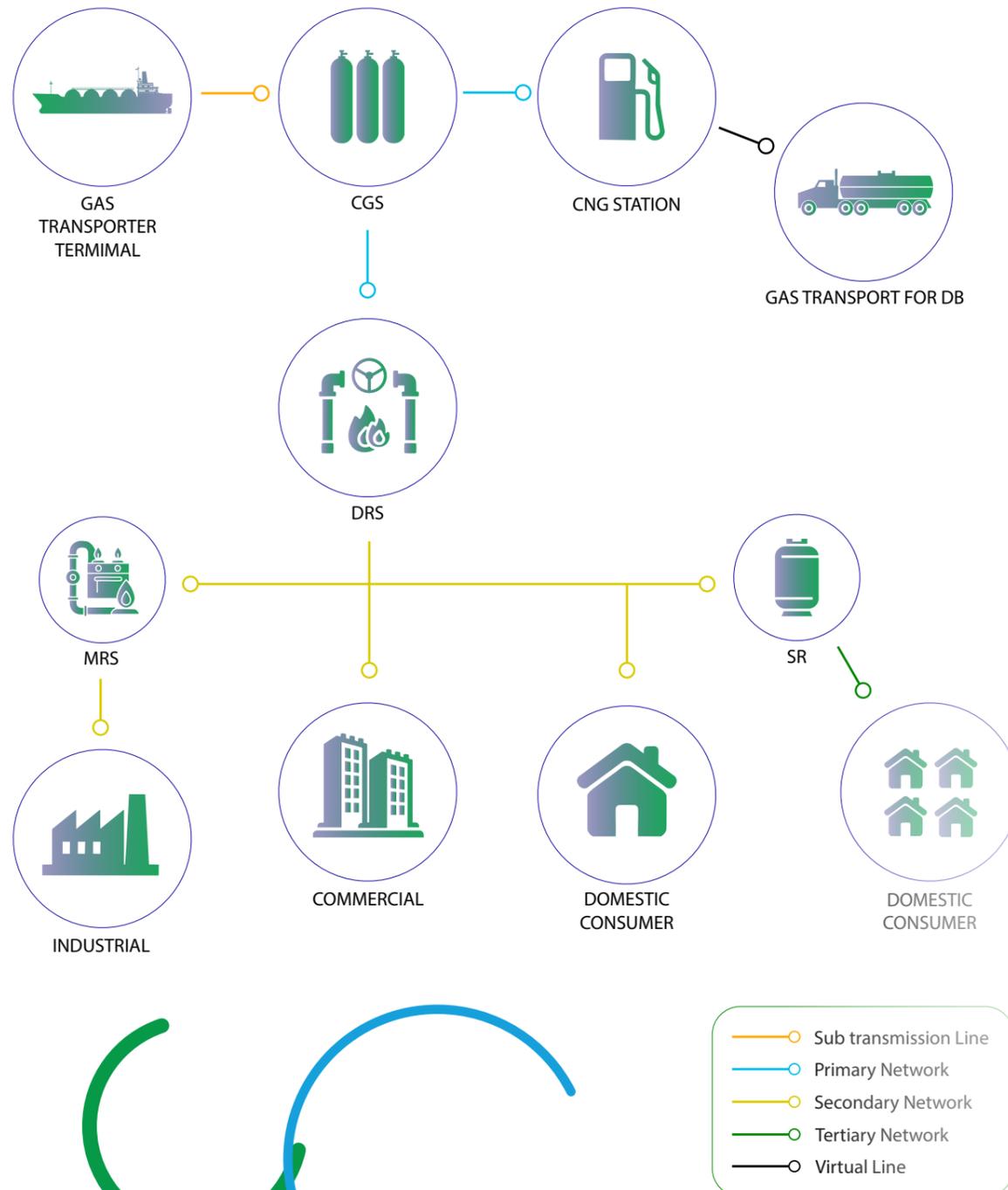
Obtaining PNGRB authorization involves submitting technical and financial bids and adhering to the regulations for city gas distribution networks. Following evaluation, successful applicants proceed to submit financial bids, with the highest composite score securing the GA. Our successful bids, spanning multiple rounds, have led to infrastructure development and operational commencement in various GAS. Notable projects in Banaskantha, Fatehgarh Sahib, Diu & Gir Somnath, and Namakkal & Tiruchirappalli exemplify our commitment to expanding CGD networks across our GAS.

## Infrastructure Roll-Out Strategy for Namakkal & Tiruchirappalli CGD Network Development

Expediting the development of the CGD network in Namakkal & Tiruchirappalli districts, Tamil Nadu, requires focused infrastructure establishment. Given the dense urban population, there is significant potential for PNG conversion, particularly from LPG. By leveraging this opportunity, we aim to facilitate the transition of industrial and residential customers to natural gas, enhancing both economic and environmental sustainability.

# Our Distribution Network

We have established our facilities to supply natural gas with maximum efficiency. Our distribution network is categorized into several key components such as city gate stations, odorizing systems, CNG stations, district regulation stations ("DRS"), individual metering and pressure regulating skids ("IPRS")



# Operational Excellence

We continuously strive to exceed our customers' expectations, ensuring maximum satisfaction. To achieve this, we have implemented several practices to regularly evolve our distribution network and meet customer expectations.

### PNG Call Centre

To strengthen customer relations and prioritize complaint management, we have established a 24x7 call centre across all our Geographical Areas (GAs). Staffed by a dedicated team, the call centre ensures real-time logging and timely resolution of customer complaints.

### EVC-cum-Data Logger with Modems

We have installed EVC-cum-Data Loggers equipped with modems at all our District Regulation Stations (DRS). These devices communicate critical parameters such as upstream and downstream pressure, temperature, flow rate, corrected volume, uncorrected volume, and threshold alarms to a web portal via the GSM network daily.

### Preventive Maintenance Module

Our Preventive Maintenance Module (PMM) is developed on our Geographic Information System (GIS) platform. This module schedules, performs, and monitors regular preventive maintenance activities for our various gas assets. An android-based application supports the PMM by capturing geo-tagged points, gas assets, and their attributes in near real-time, ensuring quick integration into the GIS system and generating asset commissioning reports promptly.

### Metering System

For all commissioned customers using industrial PNG across all GAs, we have installed an automatic meter reading system. These devices provide daily consumption logs and hourly flow data through the GSM network to a centralized computer system at the master control room, enhancing the monitoring of critical parameters.

### Additionally

We have introduced handheld billing devices for spot meter reading and billing for our PNG domestic customers. These readings are integrated into the ERP system through an API link for real-time data pooling and recording.

We have implemented SCADA at our CNG stations for meter reading, improving system efficiency and accuracy, and leading to operational cost savings.

### Incident Reporting Module

We have developed an online and android-based Incident Reporting and Management System (IRMS) to facilitate real-time reporting, monitoring, network analysis, and incident resolution within our stations. The GIS system captures all incident information, logs, and geo-coordinates, sending SMS and in-app notifications to field operators for a swift response.



# Marketing and Distribution

## Expansion of Industrial PNG Customer Base

### Targeting New Geographical Areas

With the rollout of infrastructure in new geographical areas, we are focused on major industrial prospects in the Namakkal and Tiruchirappalli GAs. In Tamil Nadu, a relatively new area for the company, efforts were made to build awareness among industries about the efficiency of natural gas compared to alternate fuels. This included highlighting both direct and indirect benefits and assisting industries in coordinating with equipment conversion agencies.

### Responding to Market Dynamics

The Russia-Ukraine war led to a significant increase in natural gas prices, causing some customers to shift to alternate fuels. During this challenging period, we maintained competitive pricing and high service standards, focusing on industries producing high-value products, such as forging, annealing, and galvanizing sectors, to retain a reasonable number of industrial PNG users.

### Advocacy and Policy Engagement

In Punjab, despite the government allowing coal use for one year, we, along with other CGDs, continuously represented to MoPNG, PNGRB, PPCB, and other authorities to ban coal usage by industries.

### Vendor Development and Strategic Partnerships

We concentrated on developing vendors for furnace design and internal pipeline services across all geographical areas, facilitating faster and more efficient conversion for industries using alternate fuels. Additionally, a joint visit with strategic partner Shizuoka Gas Co. Ltd. to key prospect industries in Trichy demonstrated our best practices from the Japanese gas industry, offering customers a better understanding of potential savings from switching to natural gas.

## Expansion of Commercial PNG Customer Base

### Attractive Schemes and Pricing

In Namakkal and Tiruchirappalli GAs, we have introduced attractive registration schemes and competitive gas prices to attract commercial establishments such as hotels, restaurants, and schools. Bulk customers with higher gas requirements were incentivized with unique pricing to compete with LPG.

### Special Conversions and Large Contracts

Our Company offered unique LPG-linked gas prices to reward Gurudwaras in Fatehgarh Sahib, facilitating their switch to PNG. Additionally, we have signed and commissioned Desh Bhagat University as a large commercial customer, converting their five canteens to PNG.

### Expansion in UTs

The gas network in Diu, UT of Daman and Diu, was expanded, with the commissioning of the first commercial customer, opening the potential to capture significant commercial establishments in this famous tourist destination.

## Expansion of Domestic PNG Customer Base

### National PNG Drive Participation

We participated in the 'National PNG Drive' initiated by PNGRB, conducting extensive marketing campaigns in villages, societies, and schools. Activities included door-to-door marketing, leaflet distribution, and strategic hoarding and banner displays, resulting in a 43% increase in average monthly registrations during the campaign.

## Commissioning of First Domestic Customer

Our Company commissioned its first PNG-domestic customer in Trichy, Namakkal & Tiruchirappalli GA, and inaugurated the domestic segment in Diu, UT of Daman and Diu, setting the stage for targeting large domestic potentials in forthcoming years.

### GA-Specific Schemes

Based on feedback from GA marketing teams and customers, we introduced various GA-specific schemes, such as rental schemes in Banaskantha GA, enrollment schemes in Namakkal & Tiruchirappalli GA and Diu & Gir Somnath GA, and increased free GI pipe length in newly charged areas of Fatehgarh Sahib GA. These initiatives helped attract more customers in the respective GAs.

### Enhanced Customer Care

A new customer care office was opened in Sirhind, Fatehgarh Sahib GA, to enhance convenience for customers in Sirhind town. Our company is also evaluating the usage of prepaid meters in new GAs, providing customers benefits such as advance gas purchases, real-time usage monitoring, and savings on various charges.

## CNG Customer Base Expansion Engagement with Fleet Operators

IRMEL increased engagement with fleet operators and schools in Fatehgarh Sahib GA, forging partnerships with various transport companies for regular CNG refilling at the company's stations.

### New Infrastructure Development

The inauguration of the first City Gate Station (CGS) and Mother CNG station in Tiruchirappalli district and the first

LCNG Station in Namakkal district strengthened gas sourcing capabilities and reduced dependence on other entities. The Mother CNG facility also generated revenue by offering compression facilities to nearby CGDs.

### Transporter Meets and Incentives

GA teams organized transporter meets to target potential demand, offering incentives on CNG sales, capex support on retrofitting, and free CNG vouchers. Coordination with OEMs ensured the availability of CNG variants and incentivized sales executives on new CNG vehicle sales.

### Promotional Campaigns and VAT Reduction Impact

Following the reduction in VAT on CNG and PNG by the state governments, IRMEL launched joint promotional campaigns with leading OEMs, highlighting the benefits of CNG over petrol. This campaign led to the addition of 1,061 new cars in a short period.

### Localized Efforts and Campaigns

Localized efforts included transporter meets and engagements with the Poultry Farm Association in Namakkal to raise awareness about CNG benefits. An organized CNG auto-rally in Veraval, Diu & Gir-Somnath GA, significantly boosted CNG awareness and sales.



### Enhancing Marketing Strategies and Incentives

Key Operational Challenges	Our Approach
Lack of Public Awareness	<ul style="list-style-type: none"> <li>Launched comprehensive awareness campaigns targeting local communities.</li> <li>Educated residents about the benefits and safety of piped natural gas.</li> <li>Engaged with residents at the grassroots level to build trust and confidence.</li> </ul>
Shortage of Skilled Manpower	<ul style="list-style-type: none"> <li>Recruited experienced professionals from other regions within IRMEL.</li> <li>Partnered with local labor unions to organize training sessions for upskilling local workers.</li> <li>Invested in training and development programs to build a sustainable talent pipeline.</li> </ul>
Delays in ROU Permissions	<ul style="list-style-type: none"> <li>Collaborated with local government authorities to streamline the permission process and address bottlenecks.</li> <li>Conducted detailed engineering surveys to identify optimal pipeline routes.</li> <li>Embraced innovative trenchless pipeline laying methods to reduce excavation and environmental disturbance.</li> </ul>

#### Industrial Sector Initiatives

We focused on maintaining competitive gas prices to attract new customers and retain those who had switched to alternate fuels due to the Russia-Ukraine war. Continuous coordination with regulatory bodies promoted the use of cleaner fuels, and studies on model industries highlighted the economic and environmental benefits of natural gas.

#### Commercial Sector Strategies

In newly awarded GAs, attractive registration schemes and competitive gas prices were introduced for commercial establishments. To promote online payment, the company launched a payment gateway, resulting in over 60% of commercial customers choosing digital payments.

#### Domestic Sector Campaigns

Mass awareness campaigns in newly charged areas educated potential customers about the benefits of PNG and the conversion process. Special schemes were offered to institutional customers to attract and retain them.

#### CNG Sector Promotions

Continuous CNG awareness campaigns and outdoor advertising targeted all vehicle segments, with strategic joint marketing campaigns conducted with major OEMs. The implementation of a Free CNG scheme significantly increased the number of CNG vehicles.

#### Customer Satisfaction and Retention Measures

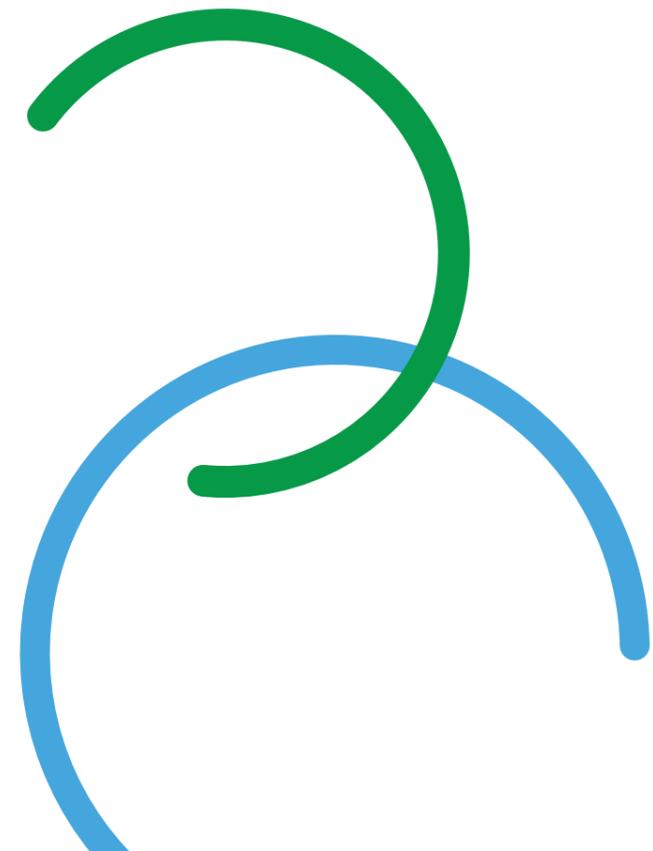
##### Enhanced Communication Channels

We have established multiple communication channels, including customer care centers, email, social media, and suggestion boxes, to facilitate feedback and grievance submissions. A centralized toll-free number for emergency complaints is backed by 24x7 emergency handling teams across all GAs.

##### Regular Feedback and Surveys

For industrial and commercial customers, GA teams regularly meet and contact customers to gather feedback and suggestions. In the CNG segment, an external agency surveys all DODO

CNG stations to evaluate service levels, incentivize, and penalize dealers based on performance.



# Advancements in Technology and Automation

## Promotion of Digital Payments

### Spot Billing and Self-Bill Generation

We have implemented spot billing for all domestic customers, enhancing efficiency and accuracy. Customers also have the option to generate their own bills through a provided weblink.

### WhatsApp Notification Service

We have introduced WhatsApp notifications for PNG domestic customers, covering bill generation, payment reminders, and invoices with dynamic UPI payment links for instant payments.

### Unique QR Code Integration

To promote digital transactions, we have incorporated QR codes in bi-monthly gas invoices, allowing customers to scan and pay using payment apps, facilitating quick and smooth payments.

Our digital payment options:

- UPI
- BBPS
- WhatsApp payment
- Bill desk platform

**Over 85%**

payments are made digitally by the customers in domestic segment

**More than 55% of payments**

at DODO CNG stations are received through online modes

## Digitalization of Billing Processes

We have launched a digitalization initiative to streamline billing for industrial and commercial customers. Key improvements include:

- Industrial Customers: Joint metering and billing are now conducted fortnightly on the 1st and 16th of each month.
- Commercial Customers: Joint metering and billing are performed monthly on the 25th of each month.
- Enhanced Efficiency: The process, previously reliant on Excel and manual effort, now generates sales summaries, joint metering reports, and invoices, which are sent via email and WhatsApp on the same day.

## Automated Meter Reading (AMR)

We have implemented AMR solutions for both industrial and commercial customers to enhance data accuracy and operational efficiency.

- Industrial Connections: Achieved nearly 99% uptime, ensuring consistent daily data reception.
- Commercial Connections: AMR has replaced manual meter readings, streamlining monthly billing and reducing operational challenges.

## Digitalization of Asset Maintenance

We have developed a digital preventive maintenance system for gas assets, featuring:

- Annual Maintenance Plans: Automated generation of monthly schedules.
- Progress Tracking: Calendar and dashboard views for monitoring maintenance.
- Mobile Integration: Real-time updates through an Android app, geo-referenced to ensure accuracy.
- Web-Based Dashboard: Enables role holders to monitor progress and take necessary actions.

## Remote Monitoring Systems

We have implemented remote monitoring solutions for various critical systems:

- Odorization Units: Real-time monitoring of odorant dosing and performance at City Gate Stations.
- Corrosion Monitoring: Remote monitoring of steel pipelines using impressed current cathodic protection systems and Remote Terminal Units to track health parameters.

## Enhanced Maintenance and Safety Standards

### Integrity Management System (IMS)

We have implemented an IMS in compliance with PNGRB regulations to ensure the integrity of operations and assets.

### Cross-Functional Audits and Inspections

- Regular Audits: Conducted by a cross-functional team, including senior management, to ensure compliance with T4S, IMS, and ERDMP regulations.
- Inspection Plan: Systematic assessments to identify and address potential issues before they escalate.

### Comprehensive HSE Tours and Training

- HSE Tours: Senior management conducts thorough inspections and direct interactions with workers to evaluate safety protocols.
- Staff Training: Extensive HSE training programs cover safety procedures, maintenance practices, and emergency response protocols.



## Emergency Preparedness

- Mock Drills: Regular drills to test emergency readiness and improve response procedures.
- Safety Studies: Conducted 81 studies, including HAZOP, QRA, EMERA, and HAC, to identify risks and enhance safety measures.

## Public Awareness and Mutual Aid Agreements

- Public Awareness Sessions: Educating the public on gas safety practices.
- Mutual Aid Agreements: Collaboration with major industries and peer entities for coordinated emergency responses.

## Advanced Safety Technologies

- Gas Detector Installation: Real-time monitoring of gas levels in District Regulation Stations.
- Cathodic Protection System: Protecting steel pipelines from corrosion with a Cathodic Protection (CP) system and remote monitoring.

## Digital Preventive Maintenance and GIS-Based Reporting

- Digital Workflows: Near real-time updates on maintenance activities.
- GIS-Based Reporting: Monitoring third-party activities near pipelines using GIS-based mobile apps.

# Human Resources

At IRMEL, our employees are our most valuable assets. Our Human Resources department is dedicated to fostering employee development, ensuring well-being, and maintaining rigorous health and safety standards.

Through strategic talent acquisition, comprehensive training programs, and systematic risk management, we prioritize the growth and welfare of our workforce, all underpinned by a commitment to regulatory compliance and organizational excellence.

163

No. of permanent employee

14

No. of female employee



## Attracting and Retaining Talent in Newly Authorized Areas

We aim to build a strong, dedicated, and skilled workforce that can effectively contribute to the company's growth and success across all areas. In FY 23-24, we have undertaken several initiatives to attract and retain talent, especially in the newly authorized geographical areas:

### Enhanced Recruitment Strategies

- Local Talent Acquisition: Focused on hiring local talent to ensure a better understanding of the local market and culture.
- Diverse Recruitment Channels: Utilized various recruitment channels, including campus recruitments and partnerships with local educational institutions, to reach a broader pool of candidates.
- Strategic Recruitment: Recruited from reputable business schools and engineering colleges, fostering a young workforce with an average age of 29. Lateral hiring supplements our talent pool, bringing diverse industry expertise to our operations.

### Competitive Compensation and Benefits

- Competitive Salary Packages: Offered salary packages on par with industry standards.
- Comprehensive Benefits: Provided benefits such as health and accident insurance, guest house, and rent reimbursement to attract talent.

- Performance-Linked Incentives: Provided performance-linked incentives as per policy to drive motivation and performance.

### Employee Engagement and Retention

- Work-Life Balance Initiatives: Introduced policies to promote a healthy work-life balance.
- Recognition and Rewards Programs: Established programs to recognize and reward employees for their hard work and achievements, fostering a culture of appreciation and motivation.

### Inclusive and Supportive Work Environment

- Diversity and Inclusion: Promoted diversity and inclusion within the workforce to create a more dynamic and innovative work environment.
- Support Systems: Provided support systems such as knowledge-sharing programs and employee assistance programs to help employees grow and succeed within the company.

### Employee Training and Development

We ensure that our employees are well-equipped with the necessary skills and knowledge to maintain high service standards and achieve operational efficiency. We have implemented several key strategies for employee training and development:

### Comprehensive Onboarding Programs

New employees undergo thorough onboarding programs that introduce them to the company's culture, values, and expectations. This includes initial training sessions focused on core responsibilities, company policies, and service standards.

### Continuous Learning Opportunities

We offer continuous learning opportunities, including internal knowledge-sharing sessions, seminars, conferences, and e-learning modules. These programs cover a wide range of topics, from technical skills to soft skills like communication and customer service.

### Regular Performance Reviews

Regular performance reviews and feedback sessions help identify areas where employees excel and areas needing improvement.

These reviews are used to adjust training plans and provide additional support where needed.

### Mentorship and Coaching Programs

Mentorship and coaching programs allow experienced employees to guide and support newer or less experienced colleagues, facilitating knowledge transfer, building confidence, and developing a collaborative work environment.

### Cross-Training and Job Rotation

Employees are encouraged to participate in cross-training and job rotation programs. These initiatives broaden their skill sets, improve understanding

of different roles within the company, and enhance operational efficiency by creating a more flexible workforce.

### Regular Training Sessions

Regular training sessions ensure operational excellence, productivity improvement, and compliance with quality and safety standards.

### Improving Employee Satisfaction and Engagement

To improve employee satisfaction and engagement, we have implemented measures designed to create a positive work environment and foster a sense of belonging and motivation among employees:

### Enhanced Communication and Transparency

- Open Door Policy: Encouraging open communication between employees and management, allowing employees to voice their concerns and suggestions.

### Training Programs

- Continuous Learning Opportunities: Offering internal knowledge-sharing sessions, conferences, training, and online courses or certifications.

### Paid Time Off

- Adequate Vacation Time: Ensuring adequate vacation time, sick leave, and personal days to prevent burnout and maintain well-being.

### Team Building Activities

- Social Events and Gatherings: Organizing team-building activities, social events, and outbound training to foster camaraderie and strengthen team bonds.



### Ensuring Employee Health and Safety

We ensure the health and safety of our employees through a comprehensive and proactive approach, implementing various measures and programs to maintain a safe and healthy work environment:



### Health and Safety Policies and Procedures

- Clear Policies: Establishing clear health and safety policies communicated to all employees.
- Strict Safety Protocols: Developing and enforcing strict safety protocols and procedures for all work-related activities.

### Regular Safety Training

- Training Sessions and Drills: Conducting regular safety training sessions and drills to educate employees on safe practices, emergency procedures, and the proper use of equipment.

### Workplace Inspections and Audits

- Regular Inspections: Performing regular workplace inspections to identify and rectify potential hazards.
- Compliance Audits: Conducting compliance audits to ensure adherence to health and safety regulations and standards.
- Regulatory Compliance: Subject to periodic audits by the PNGRB, upholding stringent regulatory standards to ensure adherence to safety protocols outlined in relevant regulations. Continuous compliance efforts are reflected in the absence of major adverse comments from external auditors.

### Provision of Safety Equipment and Resources

- Personal Protective Equipment (PPE): Providing necessary PPE such as helmets, gloves, masks, and safety goggles to employees based on their job requirements.
- Safety Signage and Tools: Ensuring the workplace is equipped with safety signage, first aid kits, fire extinguishers, and other essential safety tools.

### Health Checks and Wellness Initiatives

- Annual/Biennial Health Check-Ups: Offering health check-ups for employees and their spouses to monitor and manage their health.
- Wellness Initiatives: Implementing wellness initiatives such as gym and sports memberships.

### Safety Committees and Incident Reporting

- Safety Committees: Establishing safety committees that include employee representatives to discuss and address health and safety issues.
- Incident Reporting Systems: Implementing a system for employees to report health and safety concerns, near-misses, and incidents without fear of retaliation.

### Emergency Plans and Drills

- Comprehensive Emergency Response Plans: Developing and maintaining plans for various scenarios, including natural disasters, fires, and medical emergencies.
- Regular Emergency Drills: Conducting regular drills to ensure employees are well-prepared to respond effectively in case of an emergency.

### Systematic Risk Management

- HSE Policy: Our Health, Safety, and Environment (HSE) policy underscores our commitment to maintaining effective health and management systems for the well-being of employees, society, and the environment. Through proactive risk identification and mitigation measures, we ensure safe and sustainable operations.



# Environmental Stewardship

## Vehicle Conversion to CNG

Along with promoting the sales of new CNG vehicles, we have actively promoted the conversion of vehicles also to Compressed Natural Gas (CNG) to reduce emissions and support clean energy.

### Key initiatives include:

- Converting a significant number of public and commercial vehicles to CNG.
- Providing financial incentives for conversion, covering Rs 20,000 per LPG auto converted to CNG and issuing CNG fuel cards valued at Rs 5,000 for 4 wheelers converted to CNG and Rs 20,000 for buses.

### New CNG vehicles added in the FY

**3,941**

Three Wheelers

**6,645**

Four Wheelers

**898**

Commercial Vehicles  
(Large and Small)

**9**

Buses

## CNG Infrastructure Development

We have established 20 CNG refuelling stations and 1 LCNG station to support the growing number of CNG vehicles and promote sustainable energy.

### Infrastructure Details:

**1**

CGS

**1**

LCNG

**1**

Mother CNG Station

**1**

Online CNG Station

**18**

DBS

## Awareness Campaigns



We have conducted extensive public awareness campaigns highlighting the benefits of PNG and CNG, such as lower emissions and reduced environmental impact compared to traditional fuels.

## Carbon Offsetting Programs



We have planted over 200 trees within its premises to offset carbon emissions.

## Solar Park Initiative



We have established a 3.123 MW (DC) solar power plant to offset electricity needs at 23 CNG stations in Banaskantha GA. This initiative has transitioned 37% of the company's total electricity consumption for these stations to renewable energy, marking a significant step towards carbon neutrality.

## Environmental Impact Monitoring

### Key Environmental Parameters

We monitor several key parameters to measure and manage our environmental impact:

#### Emission and Air Quality

- DG & CNG Engine Emissions: PM, NOx, SO2, CO, NMHC
- Ambient Air Quality: SO2, NO2, PM10, PM2.5, O3, Pb, CO, NH3, C6H6, BaP, As, Ni

#### Noise and Water Quality

- Noise Monitoring: Adherence to SPCB standards
- Drinking Water Quality: Compliance with IS:10500-2012 standards

#### Waste Management and Energy Consumption

- Waste Generation: Proper disposal and recycling by authorized agencies
- Domestic Water Usage: Monitored and managed
- Carbon Footprint: Tracking GHG and CO2 emissions
- Total Energy Use: Monitoring consumption from all energy sources

#### Compliance with Social and Governance Standards

#### Training and Education

We have conducted regular training sessions to ensure employees are well-versed in social and governance standards. This education helps maintain high standards of safety, environmental sustainability, and ethical business practices.

#### Policies and Procedures

The company has established comprehensive policies and procedures to ensure compliance with regulations and industry standards related to health, safety, and the environment.

# Our responsibility

At IRM Energy Limited, Corporate Social Responsibility (CSR) is ingrained in our ethos, reflecting our commitment to making a positive impact on society and the environment.

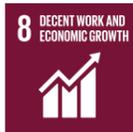
Through strategic talent acquisition, comprehensive training programs, and systematic risk management, we prioritize the growth and welfare of our workforce, all underpinned by a commitment to regulatory compliance and organizational excellence.

## Our Key Focus Areas:

### Education:



### Skill development:



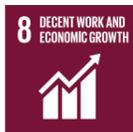
### Environmental conservation:



### Community empowerment:



### Sustainable growth:



### Indrashil Kaka Ba & Kala Budh Public Charitable Trust:

We have contributed to creating an environment that fosters quality education and empowers students to excel in their chosen fields. Through our collaboration with the Indrashil Kaka Ba & Kala Budh Public Charitable Trust, we showcase our commitment to promoting education and improving educational facilities.

### The following initiatives have been supported

#### Setting up of laboratory infrastructure for pharmacy courses:



IRM Energy has extended its assistance to establish laboratory infrastructure for pharmacy courses. This support aims to enhance the educational experience of students pursuing pharmacy studies with well-equipped laboratories.

#### Creation of Animal Cell Culture facility and central instrumental facility for life science



IRM Energy has contributed to create Animal Cell Culture facility and central instrumental facility for life science. The creation of animal cell culture facility aims to strengthen the research of our researchers in their respective field and help them to advancement in the field of medical science, cancer biology, developmental biology and human health

**AIC-ISE Foundation**

We have extended support to develop a skill development centre for the Managerial Development Program

- For nurturing quality start-ups and skilled manpower for the industry with 360\* support
- To get free decision-making
- To execute the decided action plan faster with the minimum possible time.

**NM Sadguru Water & Development Foundation**

We have extended our financial support to the project that aimed at demonstrating the latest water conservation technology in rural areas, specifically in the north Gujarat region for

- Demonstrating the latest water conservation technologies in rural areas, specifically targeting the declining groundwater levels in the north Gujarat region.
- Raising awareness about the crucial need for water conservation and providing training and education to local communities on sustainable water management practices.
- Implementing innovative water conservation technologies that can

effectively conserve water resources and mitigate the falling groundwater level.

- Leveraging modern techniques and practices to provide sustainable solutions for water management in rural areas.

**Pearl Special Need Foundation**

We have supported the Pearl Special Need Foundation to

- Give special needs people the opportunity to be educated in mainstream/general schools
- Provide fair and equal opportunities to special needs children
- Have confidence weaved with self-esteem to walk independently in society.
- Set up an infrastructure facility to cater to the digital education needs of the

students of Pearl School and Vocational Centre

- Enable people to have employment opportunities, communication skills, English language literacy, socio-emotional skills and Basic computing skills like using MS Office programs.

**Aspire Disruptive Skill Foundation (ADS Foundation)**

- We have contributed to enhancing employment opportunities, empowering marginalized communities, and promoting renewable energy. Through our collaboration with the ADS Foundation, IRM Energy demonstrates its commitment to skill development, capacity building, empowerment and promote renewable energy.

The following initiatives have been supported:

**Modern Solar System and Mechanical Lab**



We have extended our assistance to upgrade the existing solar lab and mechanical lab at the centre. This initiative aims to create a skilled workforce as per industry requirements. The objective is to ultimately benefit the needy and unemployed youth and help them enhance their livelihood growth through employment by providing industry-responsive skill training.

**Empowerment and capacity building of Rural women**



We have supported the establishment of a modern apparel lab facility aimed at capacity building for rural women farmers. This initiative focuses on empowering rural women by providing them with training to shape their skills and development of entrepreneurship.

**Sustainable growth by promoting renewable energy**



We have provided financial support in developing the Solar Energy Generation Project by installing Rooftop Solar Power Plant above the roof of the institute. This project aims to harness the abundant solar energy resource to generate clean and sustainable electricity, benefiting both the environment, local communities and youth belongs to deprived background undergoing skill training.

**Our Social Responsibility**

**National PNG Campaign**

We have participated in the National PNG campaign by PNGRB, running from January 26th to March 31st, 2024.

**Initiatives included:**

- Hoardings and Standees: Strategic placement to convey the benefits of PNG.
- Newspaper Advertising: Reaching approximately 20,000 households.
- Canopy and Flute Boards: High visibility locations and 5,000 flute boards installed.
- Mobile Van Branding: Displaying PNG models and benefits.
- Society Meetings: Direct engagement with communities to promote PNG connections.



**Health and Safety Initiatives**

- Eye Check-up Camps: Free eye check-up camps for HCV drivers.
- Defensive Driving Sessions: Training sessions to promote safe driving practices.



**Addressing Stakeholder Issues**

**Safety Risks**

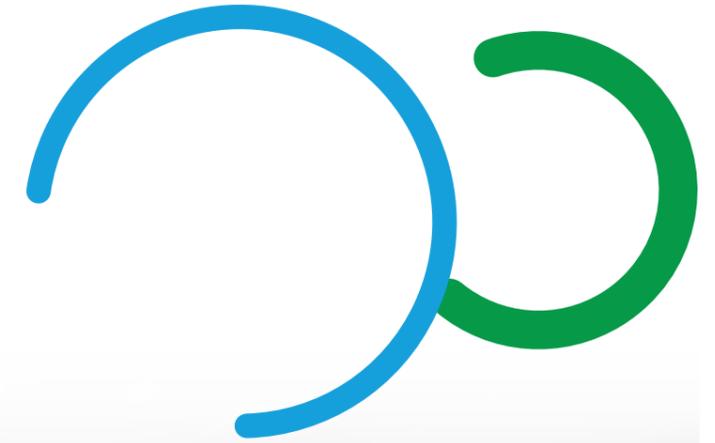
**Issue:** Concerns about safety risks associated with CNG storage, transportation, and refuelling.

**Resolution:** Implementing robust safety protocols, regular equipment inspections, comprehensive safety training, and clear communication of safety procedures to employees and the public.

# Governance

At IRM Energy Limited, governance serves as the foundation of our operations, embodying principles of transparency, accountability, and ethical conduct. Committed to upholding the highest standards of corporate governance, we ensure alignment with regulatory requirements and stakeholder expectations.

Our governance framework is designed to foster trust and confidence among investors, employees, customers, and the wider community, driving sustainable growth and value creation. Through robust policies, practices, and oversight mechanisms, we strive to promote integrity, fairness, and responsible decision-making across all facets of our organization.



# Board of Directors



**Maheswar Sahu,** a Non-Executive Director and Chairman of our Board, brings a wealth of experience from his tenure in the Indian Administrative Service, serving both the Government of India and Gujarat for over three decades. With a background in electrical engineering and social sciences, he has actively managed various portfolios, including PSU management.



**Dr. Rajiv Indravadan Modi**, a Promoter and Non-Executive Director, holds a Bachelor of Technology in chemical engineering and a Doctorate in Biological Sciences. With over thirty years in the pharmaceutical industry, he currently leads Cadila Pharmaceuticals Limited. Dr. Modi's affiliations include chairing the boards of IIT Guwahati and IIT Gandhinagar, among others.



**Amitabha Banerjee**, a Non-Executive Director, is an experienced finance professional with over 42 years of expertise. Holding degrees in Commerce and Cost Accountancy, he has served in key finance roles in reputable organizations, including Cadila Pharmaceuticals Limited.



**Badri Narayan Mahapatra,** a Non-Executive Director, holds a Masters Diploma in Personnel Management and Industrial Relations and a Professional Diploma in Human Resource Development. With 22 years of experience, including 7 years in personnel and administration and 15 years in entrepreneurship, he currently manages Sanguine Management Service Private Limited and serves on the board of Enertech Distribution Management Private Limited.



**Chikmagalur Kalasheety Gopal,** a Non-Executive Independent Director, has degrees in Fisheries Science and is a Certified Associate of the Indian Institute of Bankers. With over 35 years of banking experience, including a role as General Manager at Corporation Bank, he brings extensive financial expertise to the board.



**Anand Mohan Tiwari,** a Non-Executive Independent Director, holds degrees in Science and Business Administration. As a former IAS officer with 15 years in the social sector and experience in the petrochemical industry, he has managed significant roles in women's empowerment, rural development, and corporate leadership.



**Kaushal Nakrani,** a practicing advocate in the High Court for more than 24 years. She holds Bachelor of commerce from Bombay University and Bachelor of Law from Gujarat University. She is practicing in the areas of Banking Law, Legal Audit, Arbitration Matters, Matrimonial Matters, and Cooperative Societies Matters etc. She is also a penal advocate of various public sector banks.



**Rabindra Nath Nayak,** a Non-Executive Independent Director, holds a Bachelor's and Master's in Electrical Engineering with a specialization in Control Systems. He has over 25 years of experience in the power sector, including serving as Chairman and Managing Director of Power Grid Corporation of India Limited, bringing substantial technical and managerial expertise to the board.

# Composition of Committees of the Board of Directors

## Audit Committee

Name of Director	Directorship	Role in Committee
<b>Mr. Chikmagalur K Gopal</b>	Independent Director	Chairman
<b>Mr. Anand Mohan Tiwari</b>	Independent Director	Member
<b>Mr. Amitabha Banerjee</b>	Non-Executive Director	Member

## Nomination and Remuneration Committee

Name of Director	Directorship	Role in Committee
<b>Mr. Anand Mohan Tiwari</b>	Independent Director	Chairman
<b>Mr. Chikmagalur K Gopal</b>	Independent Director	Member
<b>Mr. Maheswar Sahu</b>	Non-Executive Director	Member

## Stakeholders Relationship Committee

Name of Director	Directorship	Role in Committee
<b>Mr. Maheswar Sahu</b>	Non-Executive Director	Chairman
<b>Mr. Chikmagalur K Gopal</b>	Independent Director	Member
<b>Mr. Amitabha Banerjee</b>	Non-Executive Director	Member

## Corporate Social Responsibility Committee

Name of Director	Directorship	Role in Committee
<b>Mr. Maheswar Sahu</b>	Non-Executive Director	Chairman
<b>Mr. Chikmagalur K Gopal</b>	Independent Director	Member
<b>Mr. Amitabha Banerjee</b>	Non-Executive Director	Member

## Risk management Committee

Name of Director	Directorship	Role in Committee
<b>Mr. Rabindra Nath Nayak</b>	Independent Director	Chairman
<b>Mr. Chikmagalur K Gopal</b>	Independent Director	Member
<b>Mr. Anand Mohan Tiwari</b>	Independent Director	Member
<b>Mr. Maheswar Sahu</b>	Non-Executive Director	Member

# Board's Report

To,  
The Members  
**IRM ENERGY LIMITED**

Your Directors have great pleasure in presenting their 9th Annual Report together with the Audited Balance Sheet and Statement of Profit and Loss for the Financial Year ended on March 31, 2024 and the report of the Auditors thereon.

## FINANCIAL RESULTS

The Audited Financial Statements of the Company (standalone and consolidated) as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The Company's financial performance for the financial year ended on March 31, 2024, is summarized below:

(Amount in ₹ million)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	9,565.40	10,391.35	9,565.40	10,391.35
Other Income	238.19	59.64	238.19	59.64
<b>Total Income</b>	<b>9,803.59</b>	<b>10,450.99</b>	<b>9,803.59</b>	<b>10,451.00</b>
Total Expenditure other than Finance Cost, Depreciation and Tax	8,076.75	9,268.58	8,076.90	9,269.05
<b>Operating Profit / (Loss) before Finance Cost, Depreciation and Tax</b>	<b>1,726.84</b>	<b>1,182.41</b>	<b>1,726.69</b>	<b>1,181.95</b>
Less: Interest and Finance Charges	266.96	229.03	266.97	229.03
Less: Depreciation and amortization expenses	264.74	208.96	264.73	208.98
<b>Profit / (Loss) before Tax</b>	<b>1,195.14</b>	<b>744.42</b>	<b>1,194.99</b>	<b>744.02</b>
Less: Provision for Taxation	280.10	179.60	280.08	179.57
<b>Profit for the period/year before share of profit/(loss) of joint control entities</b>	<b>915.05</b>	<b>564.82</b>	<b>914.91</b>	<b>564.45</b>
Share of Profit/(loss) of Joint Control Entities	-	-	-58.28	66.91
<b>Profit for the period/year</b>	<b>915.05</b>	<b>564.82</b>	<b>856.63</b>	<b>631.36</b>
Less: Transfer to non-controlling interest	-	-	-0.04	-0.10
<b>Other comprehensive income/(Expenses) [net of tax]</b>	<b>-0.16</b>	<b>-0.62</b>	<b>-0.13</b>	<b>-0.63</b>
Items that will not be reclassified to Profit or (Loss), net of tax	-0.16	-0.62	-0.13	-0.63
<b>Total comprehensive income/(Expenses) for the period</b>	<b>914.89</b>	<b>564.19</b>	<b>856.54</b>	<b>630.84</b>
Earning per equity share (₹ Per share)	26.14	18.94	24.47	21.18

### Note:

- There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.
- Previous year figures have been regrouped/re-arranged wherever necessary.
- There has been no change in nature of business of the Company

## OPERATING RESULTS & BUSINESS PERFORMANCE

### (a) OPERATIONAL HIGHLIGHTS

The Company is a City Gas Distribution ("CGD") company, with operations at Banaskantha (Gujarat), Fatehgarh Sahib (Punjab), Diu & Gir Somnath (Union Territory of Daman and Diu and Gujarat), and Namakkal & Tiruchirappalli (Tamil Nadu), engaged in the business of laying, building, operating and expanding the city or local natural gas distribution network. The Company develop natural gas distribution projects in the geographical areas ("GAs") allotted for industrial, commercial, domestic and automobile customers. We supply natural gas to two primary set of customer segments - Compressed Natural Gas (CNG) and Piped Natural Gas (PNG).

The Company has created an overall infrastructure of 4907 inch kms of MDPE Pipelines and steel pipelines as of March 31, 2024. As on March 31, 2024, the Company has 195 PNG industrial customers, 340 PNG commercial customers and 66,228 PNG domestic customers. The Company established 82 CNG Stations comprising 5 stations owned and operated by the Company ("COCO Stations") including pure play mother station, 38 CNG stations owned and operated by dealers ("DODO Stations") and 39 CNG stations owned and operated by oil marketing companies ("OMC Stations") as at March 31, 2024.

The Company has commissioned critical infrastructure like City Gate Station, Mother Station and LCNG Station

in Namakkal and Tiruchirappalli GA during the year ended on March 31, 2024. Additionally, the Company has commissioned 15 CNG stations in Namakkal and Tiruchirappalli GA.

## (b) FINANCIAL HIGHLIGHTS

### Consolidated Financial Result

The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, subsidiary and joint control entities, as approved by their respective Board of Directors. The Audited Consolidated Financial Statements together with the Auditors' Report form part of this Report. The financial highlights are:

1. Revenue from Operations decreased by 8% compared to FY 2022-23, from ₹ 1,039.14 crore to ₹ 956.54 crore.
2. EBITDA has increased by 46% compared to FY 2022-23, from ₹ 118.19 crore to ₹ 172.67 crore.
3. PAT has increased by 36% compared to FY 2022-23, from ₹ 63.14 crore to ₹ 85.66 crore.

### Standalone Financial Result

1. Revenue from Operations decreased by 8% compared to FY 2022-23, from ₹ 1039.14 crore to ₹ 956.54 crore.
2. EBITDA has increased by 46% compared to FY 2022-23, from ₹ 118.24 crore to ₹ 172.68 crore.
3. PAT has increased by 62% compared to FY 2022-23, from ₹ 56.48 crore to ₹ 91.51 crore.

The detailed operational performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Annual Report.

## (c) DIVIDEND

The Board of Directors is pleased to recommend a final dividend of ₹ 1/- per share (10% on the face value of ₹ 10 each) on 3,49,99,432 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each for the financial year ended on March 31, 2024. The dividend is subject to the approval of members at the ensuing 9th Annual General Meeting of the Company. The said dividend, if approved by the members, would involve a cash out flow of ₹ 34.99 million (Gross of Tax).

Further, the Board of Directors is also pleased to recommend a final dividend of ₹ 1.50 per share (15% on face value of ₹ 10 per share) on 4,10,59,677 Equity Shares of ₹ 10/- each for the financial year ended on March 31, 2024. The dividend is subject to the approval of members at the ensuing 9th Annual General Meeting. The said dividend, if approved by the members, would involve a cash out flow of ₹ 61.59 million (Gross of Tax).

Pursuant to Finance Act, 2020, Dividend Income is taxable in the hands of the Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The dividend recommended is in accordance with company's Dividend Distribution Policy in term of Regulation 43A of the SEBI Listing Regulations, and the same has been uploaded on the website of the Company at <https://www.irmenergy.com/wp-content/uploads/2022/12/Dividend-Distribution-Policy.pdf>

## (d) TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for financial year 2023-24 under Retained Earnings. Accordingly, the Company has not transferred any amount to General Reserve during the year under review.

## INITIAL PUBLIC OFFER (IPO) AND LISTING OF EQUITY SHARES

During the year under review, the Company came out with an Initial Public Offer ("IPO"/ "Issue") of equity shares. The IPO was 100% Fresh Issue of 1,08,00,000 equity shares of face value of ₹ 10/- each, comprising 1,05,84,000 equity shares at ₹ 505/- per Equity Share, including a share premium of ₹ 495/- per Equity Share and 2,16,000 equity shares for employee category at 9.5% discount on issue price i.e. at ₹ 457/- including a share premium of ₹ 447/- per Equity Share aggregating to ₹ 5449.96 million.

The issue was opened on October 18, 2023 and closed on October 20, 2023 and the equity shares were allotted at a price of ₹ 505/- per share (including premium of ₹ 495 per share) on October 23, 2023. The Company had received the listing and trading approval from BSE Limited (BSE) and National Stock Exchange India Limited (NSE) on October 25, 2023. The equity shares of the Company got listed and admitted to trading/dealing on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (Collectively known as "Stock Exchanges") effective from October 26, 2023. The Company completed its IPO successfully with participation of several leading domestic and global institutional investors as well as NRIs, HNIs and retail investors. The Board is gratified and humbled by the faith shown in the Company by its Members. The Board also places on record its appreciation for the support provided by various Authorities, BRLMs, Stock Exchanges, Depositories, Counsels, Consultants, Auditors and Employees of the Company for making the maiden IPO of the Company a grand success.

## SHARE CAPITAL

### Authorised Share Capital

The authorized share capital of the Company as on March 31, 2024 is ₹ 90,00,00,000/- (Rupees Ninety Crores only) divided into 5,00,00,000 (Five Crores) equity shares of face value of ₹ 10/- (Rupees Ten) each, aggregating to ₹ 50,00,00,000/-

(Rupees Fifty Crores only) and 4,00,00,000(Four Crores) 10% Non- Cumulative Redeemable Preference Shares (RPS) of ₹ 10 /- (Rupees Ten) each, aggregating to ₹ 40,00,00,000/- (Rupees Forty Crores only).

### Paid-up Share Capital

The paid-up share capital of the Company as on March 31, 2024 is ₹ 76,05,91,090/- (Rupees Seventy-Six Crores Five Lakhs Ninety One Thousand Ninety Only) comprising of 4,10,59,677 (Four Crores Ten Lakh Fifty Nine Thousand Six Hundred Seventy Seven) Equity Shares of ₹ 10/- each aggregating to ₹ 41,05,96,770/- (Rupees Forty One Crores Five Lakh Ninety Six Thousand Seven Hundred Seventy only) and 3,49,99,432 (Three Crores Forty Nine lakhs Ninety Nine Thousand Four Hundred Thirty Two) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 34,99,94,320 (Rupees Thirty-Four Crores Ninety Nine Lakhs Ninety Four Thousand Three Hundred Twenty Only).

### Changes in Share Capital

During the year under review, the Company has issued and allotted 1,08,00,000 (One Crore Eight Lakhs) Equity Shares of ₹ 10/- each pursuant to Initial Public Offer (IPO) on October 23, 2023.

The Company has only one class of equity shares having per value of ₹ 10/- each. During the year under review, the Company has neither issued equity shares with differential voting rights nor granted stock options or sweat equity.

### HOLDING COMPANY

As on March 31, 2024, the Company does not have a holding company.

### SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has one subsidiary company and three associate companies as on March 31, 2024. There has been no material change in the nature of the business of these entities.

The following are the details of the subsidiary company:

#### (a) SKI-Clean Energy Private Limited:

##### Corporate Information:

SKI-Clean Energy Private Limited was incorporated as a private limited company under the Act, pursuant to the certificate of incorporation dated September 21, 2022, issued by the RoC, Central Registration Centre. Its corporate identification number is U40200GJ2022PTC135623. Its registered office is situated at 3rd Floor, Block- 8, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Ahmedabad, Gujarat - 380 054.

As on March 31, 2024, the Company holds 70% of the equity share capital of SKI-Clean Energy Private Limited.

##### Nature of Business:

SKI-Clean Energy Private Limited is engaged inter alia in the business of generating, developing, and trading

renewable energy including but not limited to set-up renewable energy systems like solar energy systems, wind energy system, and power plants in or outside India as authorized under the objects clause of its Memorandum of Association.

The following are the Associate Companies and Joint Venture entities:

#### (a) Farm Gas Private Limited (FGPL)

##### Corporate Information:

Farm Gas Private Limited was incorporated as a Private Limited Company under the Act pursuant to a certificate of incorporation dated December 9, 2019, issued by the RoC, Central Registration Centre. Its Corporate Identification Number is U40108GJ2019PTC111286 and registered office is situated at 3rd Floor, Kailash-A, 6+7, Sumangalam C.H.S.L., Drive-In Road, Bodakdev, Ahmedabad-380054, Gujarat.

As on March 31, 2024, the Company holds 37.50% of the equity share capital of FGPL and 100% of 10.5% non-convertible cumulative redeemable preference shares of FGPL.

##### Nature of Business:

Farm Gas Private Limited is engaged inter alia in the business of manufacture, distribute, storage, supply of compressed biogas (CBG) and bio manure/bio-fertilizer through processing of agri residue/biomass and municipal solid waste and generate renewable and alternate energy like LPG, CNG, LNG, Bio CNG, alternate fuels, bio fuels, solar, bio manure, bio fertilizer, industry grade Carbon dioxide (CO<sub>2</sub>), wind, new and renewable energies from municipal solid waste, pressmud, farm produce, agri processing waste and/or any other means, as authorized under the objects clause of its memorandum of association.

#### (b) Venuka Polymers Private Limited (VPPL)

##### Corporate Information:

Venuka Polymers Private Limited was incorporated as a private limited company under the Act, pursuant to a certificate of incorporation dated December 19, 2019, issued by the RoC, Central Registration Centre. Its corporate identification number is U25209GJ2019PTC111511 and registered office is situated at 3rd Floor, Kailash-A, 6+7, Sumangalam C.H.S.L., Drive-In Road, Bodakdev, Ahmedabad-380054, Gujarat.

As on March 31, 2024, the Company holds 33.33% of the equity share capital of VPPL and 100% of 10.5% non-convertible cumulative redeemable preference shares of VPPL.

##### Nature of Business:

Venuka Polymers Private Limited is engaged inter alia in the business of manufacturing, distributing, supplying, micro-irrigation systems, PVC/MDPE/HD PE/LDPE/

LLDPE/PP pipes, tubes, hoses, fittings, etc. and to do all such incidental acts and things as authorized by the object clause of its memorandum of association.

### (c) Ni Hon Cylinders Private Limited (NHCPL)

#### Corporate Information:

Ni Hon Cylinders Private Limited was incorporated as a private limited company under the Act, pursuant to a certificate of incorporation dated November 26, 2018, issued by the RoC, Central Registration Centre. Its corporate identification number is U28100DL2018PTC342172. and registered office is situated at HR-18A, First Floor, Gali No.-10, Indl. Area Anand Parbat, Near Indl Area, New Delhi, Central Delhi, Delhi - 110005.

As on March 31, 2024, the Company holds 50% of the equity share capital of NHCPL.

#### Nature of Business:

Ni Hon Cylinders Private Limited is engaged inter alia in the business to manufacture, assemble, convert, commercialize, design, develop, display, establish, handle, let on hire, install, maintain, operate, produce, service, supervise, supply, import, export, buy, sell, turn to account and to do all such incidental acts and things as authorized by the object clause of its memorandum of association

Pursuant to Section 129 (3) of the Companies Act, 2013 and Ind - AS 110 released by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiary and associates.

A separate statement containing the salient features of the financial performance of the subsidiary and associates in the prescribed form **AOC - 1** is annexed to the Board's Report as **Annexure - A** and forms part of this report. The Audited Consolidated financial statements together with Auditors' Report which forms part of this Report.

In accordance with section 136 of the Act, the Audited Financial Statements including Consolidated Financial Statements and Audited Financial Statement of the Subsidiary Company are available on the Company's website at <https://www.irmenergy.com/investor/#financial-statements>. These documents may be available for inspection by the members of the Company during working hours at company's registered office.

### ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in form MGT-7 is available on the Company's website and can be access at [www.irmenergy.com](http://www.irmenergy.com).

### LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Act, are not applicable as the Company is engaged in infrastructural facilities as covered in Schedule VI of the Act. The details of investment made during the year under review are disclosed in Financial Statements.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has adopted a "Policy on Materiality and Dealing with the Related Party Transaction", in accordance with the provisions of the Act and Regulation 23 of the SEBI Listing Regulations, inter-alia, providing a framework for governance and reporting of Related Party Transactions including material transactions and threshold limits for determining materiality.

The said Policy is also available on the website of the Company at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-on-RPT.pdf>

Certain Related Party transactions that were entered during the year under review were on arm's length basis and in the ordinary course of business and in accordance with the provisions of the section 188 of the Act and rules made thereunder and SEBI Listing Regulations.

The Company has not entered into any transaction or arrangement with the related parties which could be considered as material in terms of provisions of section 188 of the Act and rules made thereunder, SEBI Listing Regulations and Policy framed by the Company on materiality of the related party Transaction.

The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act, in Form **AOC-2** is annexed to the Board's Report as **Annexure - B** and forms part of this report. The directors draw attention of the Members to Note no. 34 of the Standalone Financial Statements which sets out related party transaction disclosures.

### DEPOSITS

The Company has not any deposits from the public falling within the preview of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year under review. There is no unclaimed or unpaid deposit lying with the Company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (a) Board of Directors

The Company's Board comprises of Directors representing a blend of professionalism, knowledge and experience. The Board of Directors of the Company is led by the Non-Executive Non-Independent Chairman.

As on March 31, 2024, the Board of the Company comprises of seven Non-executive Directors, out of which three are Non-executive Independent Directors.

During the year under review, the following change took place in the Board:

- a) Mrs. Geeta Goradia (DIN: 00074343), Non-executive Independent Director, has resigned and ceased to be a Director of the Company w.e.f. January 06, 2024 due to pre-occupation and other personal business commitments. Following her

resignation, Mrs. Geeta Goradia also ceased to be member of the Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board of Directors of the Company effective from January 06, 2024.

After the year under review, Mrs. Kaushal Nakrani (DIN: 08405226) was appointed as Additional Director (Non-executive Independent) for a period of three years effective from June 01, 2024, by the Board of Directors at its Meeting held on May 21, 2024, subject to approval of the shareholders. The Board recommends her appointment as Independent Director in the ensuing AGM. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

Based on the confirmations received from the Directors, none of the Directors is disqualified from appointment under Section 164 of the Act and debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such other statutory authority.

In the opinion of the Board, all the Directors possess the requisite qualification, expertise, and experience and are persons of high integrity and repute.

In terms of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Dr. Rajiv I. Modi and Mr. Maheswar Sahu, Non-Executive Directors of the Company retire by rotation at the 9th AGM.

Dr. Rajiv I. Modi, Non-Executive Director of the Company, being eligible offers himself for re-appointment. The Board recommends the re-appointment of Dr. Rajiv I. Modi as Director and brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

However, Mr. Maheswar Sahu, being eligible for reappointment, has expressed his unwillingness for reappointment as Director of the Company. Accordingly, he would cease to hold office as Non-executive Director of the Company at the conclusion of 9th AGM and the vacancy so created be not filled up. Consequently, he would cease to be chairman/member of respective Committees from the said date. The Board places on record its sincere appreciation for the significant contributions made by Mr. Maheswar Sahu in guiding and supporting the management during his tenure.

#### **(b) Key Managerial Personnel**

As on March 31, 2024, following were the whole time Key Managerial Personnel of the Company:

1. Mr. Karan Kaushal, Chief Executive Officer,
2. Mr. Harshal Anjaria, Chief Financial Officer, and
3. Ms. Shikha Jain, Company Secretary & Compliance Officer

There has been no change in the Key Managerial Personnel during the year under review. While, after the year under review, Ms. Shikha Jain, Company Secretary and Compliance Officer of the Company (Key Managerial Personnel) has resigned w.e.f. June 21, 2024 for pursuing opportunities outside the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to Section 149(7) of the Act, the Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

The Board is of the opinion that the Independent Directors possess the requisite qualifications, experience, expertise and they hold high standards of integrity.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and have also confirmed that their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs is in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board met 6 (Six) times during the Financial Year 2023-24. The details of meeting held and attendance of Directors are mentioned in the Corporate Governance Report which forms part of this report. The maximum interval between any two meetings did not exceed one hundred and twenty days as prescribed in the Companies Act, 2013 and SEBI Listing Regulations.

#### **INDEPENDENT DIRECTORS' MEETING**

In terms of requirements of Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations a separate meeting of Independent Directors was held on March 14, 2024 without the attendance of Non-independent Directors and the members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as whole along with the performance of the Chairperson of the Company after taking into account the views of Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The meeting of the Independent Directors was attended by all the Independent Directors.

#### **COMMITTEES OF THE BOARD**

The Company has constituted several Committees of the Board which have been established as part of the best corporate governance practices and are in compliance with

the requirements of the relevant provisions of applicable laws and statutes.

The details with respect to the composition, powers, roles, terms of reference, number of meetings, etc. of the Committees held during Financial Year 2023-24 and attendance of the Members at each Committee meeting, are provided in the Corporate Governance Report which forms part of this report.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3)(c) and 134 (5) of the Act, in relation to financial statements of the Company for the year ended March 31, 2024, the Board of Directors state that:

- i. the applicable Accounting Standards have been followed in preparation of the financial statements and there are no material departures from the said standards;
- ii. reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit for the year ended on that date;
- iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the financial statements have been prepared on a going concern basis;
- v. proper internal financial controls were in place and were adequate and operating effectively; and
- vi. proper systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

## BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has adopted a formal mechanism for evaluating its performance as well as that of its committees and individual directors including chairperson of the Board.

The performance was evaluated based on the parameters such as composition and quality of Board members, the effectiveness of Board/ Committee process and functioning, the contribution of the Members, Board Culture and dynamics, fulfilment of key responsibilities, ethics and compliance etc. based on the Remuneration Policy which prescribed the evaluation criteria for performance evaluation. A structured questionnaire was prepared covering the above areas of competencies.

## FAMILIARIZATION PROGRAMME

The details of the familiarization programme undertaken during the year have been provided in the Corporate Governance Report which form part of this Report.

The policy on familiarization for Independent Directors as approved by the board is uploaded on the company's website at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-on-Familiarisation-Program.pdf>

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on directors' appointment and key managerial personnel remuneration and other matters provided in Section 178(3) of the Act is available on the Company's website at <https://www.irmenergy.com/wp-content/uploads/2022/12/Nomination-and-Remuneration-Policy.pdf>

## CORPORATE SOCIAL RESPONSIBILITY

In compliance with requirements of Section 135(1) of the Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee, the brief details of which provided in the Corporate Governance Report which form part of this report and has framed a CSR Policy which is available on the website of the Company at <https://www.irmenergy.com/wp-content/uploads/2022/12/CSR-Policy.pdf>

The Annual Report on the CSR activities is annexed to this report as **Annexure - C**, which form part of this report.

## RISK MANAGEMENT FRAMEWORK

Pursuant to Section 134(3)(n) of the Act, the Company has formulated and adopted the Risk Management Policy ("The Policy").

The Policy establishes the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting on the risk environment of the Company. This Policy is applicable to all the functions, departments, and geographical locations of the Company. The purpose of this Policy is to define, design and implement a risk management framework across the Company to identify, assess, manage, and monitor risks. The Risk Management Committee is responsible for reviewing the risk management framework and ensure its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the business are systematically addressed through mitigation actions on continual basis.

The risk management policy is available on the website of the Company at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-on-Risk-Management.pdf>

## INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide

for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal Auditors review the efficiency and effectiveness of these systems and procedures. The Internal Auditors submit their Report periodically which is placed before and reviewed by the Audit Committee.

## VIGIL MECHANISM

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of section 177 (9) & (10) the Act, and Regulation 22 of the SEBI Listing Regulations to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct or ethics policy.

The Policy provides for adequate safeguards against the victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the company or Chairman of the Audit Committee. The policy of the vigil mechanism is available on the Company's website at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-for-Vigil-Mechanism.pdf>

During the year under review, no complaint was received and no individual was denied access to the Audit Committee for reporting concerns if any.

## PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a Policy on the Prevention of Sexual Harassment at the Workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

The Company has also set up an Internal Complaints Committee which is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts interactive sessions for employees, to build awareness about the policy and the provisions of POSH Act.

During the period under review, there were no complaints received by the committee.

## HEALTH, SAFETY AND ENVIRONMENT POLICY

The Company has formulated Health, Safety and Environment Policy to conduct the business with a strong environmental conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community.

## STATUTORY AUDITORS

M/s. Mukesh M. Shah & Co., Chartered Accountants (Firm Registration No.106625W), were appointed as the Statutory Auditors of the Company to hold office for the second term of five years from the conclusion of the 6th Annual General meeting till the conclusion of the 11th Annual General Meeting.

## Statutory Auditors' Report

The Auditor's Report for the financial year 2023-24 does not contain any qualification, reservation, or adverse remark. The Auditor's Report is enclosed with the financial statement in this Annual Report.

## COST AUDIT REPORT

The Company had appointed M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), Cost Accountants, as the cost auditor for the FY 2023-24.

The Board of Directors has on the recommendation of the Audit Committee re-appointed M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), to audit the Cost Accounts of the Company for Financial Year 2024- 2025.

The remuneration proposed to be paid to the Cost Auditors is subject to the ratification by the members at the ensuing Annual General Meeting of the Company.

The company has maintained the cost accounts and records in accordance with Section 148 of the Act and Rule 8 of the Companies (Accounts) Rules, 2014.

## SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Board had appointed M/s. M. C. Gupta & Co., Company Secretaries, as Secretarial Auditor of the Company to carry out the secretarial audit of the Company for FY 2023-24. The Company has received the Secretarial Audit Report for the financial year 2023-24 is annexed to the Board's Report as **Annexure - D** and forms part of this report. There were no qualifications, reservations or adverse remarks or disclaimers given by the Secretarial Auditor of the Company.

## DETAILS OF FRAUD REPORTED BY AUDITORS

During the year under review, the auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or Board under Section 143(12) of the Companies Act, 2013 and Rules made thereunder.

## PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 ("Act"), read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - E**.

The statement containing particulars of employees as required under Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the said annexure which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining

a copy thereof, such Member may write to the Company in this regard.

As on March 31, 2024, the Company had 163 permanent employees on the roll of the Company and 89 employees/workers on contractual basis.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Details of conservation of Energy, Technology and Absorption, Foreign Exchange Earnings and Outgo is annexed to the Board's Report as **Annexure - F** and forms part of this report.

## CORPORATE GOVERNANCE REPORT

The Company has complied with the corporate governance requirements under the Act and SEBI Listing Regulations. The Corporate Governance Report, in term of Regulation 34 read with Schedule V of the SEBI Listing Regulations, forms part of this Report along with the required certificate from Practicing Company Secretary regarding compliance of the conditions of corporate governance.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with Regulation 34 of the SEBI Listing Regulations, Management's Discussion and Analysis Report (MD&A) for the year under review, giving a detailed analysis of the Company's operations, as stipulated under Regulation 34(2)(e) of the SEBI Listing Regulations, is forming part of this Report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34 of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report, describing the initiative taken by the Company from an environment, social and governance prospective for the year ended March 31, 2024, forms part of this report.

## COMPLIANCES

The Company has complied with all the statutory requirements and framed requisite policies and procedures, in accordance with the provisions of the Companies Act, 2013 and the rules framed thereunder.

## MATERIAL EVENTS

The following are the material events of the Company which have occurred between the end of the Financial Year 2023-24 and the date of this report:

### 1. REQUISITION RECEIVED FROM SHAREHOLDERS

After the year under review, the Company has received a Requisition Letter dated May 18, 2024, from the Cadila Pharmaceuticals Limited and IRM Trust, Promoter Shareholders of the Company (hereinafter collectively referred to as "Requisitionists"), holding an aggregate of 50.07% total paid-

up equity share capital of the Company for calling an Extra-Ordinary General Meeting ("EGM") of the shareholders of IRM Energy Limited (the Company) under Section 100 (2)(a) and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, for appointment of 03 (Three) Non-Executive Non Independent Directors and 01 (One) Non Executive Independent Director on the Board of the Company.

The Extra-Ordinary General Meeting ("EGM") upon requisition is proposed to held on July 08, 2024 through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

## MATERIAL CHANGES, TRANSACTIONS AND COMMITMENTS

There has not been any material change or commitment affecting the financial position of the company which have been occurred between the end of the financial year of the company to which this financial statement relates and the date of this report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

## SECRETARIAL STANDARDS

During the year under review, pursuant to the section 118 (10) of the Act, the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and General Meetings', respectively, have been duly followed by the Company.

## ACKNOWLEDGEMENT

The Company's organizational culture upholds professionalism, integrity, and continuous improvement across all functions as well as efficient utilization of the Company's resources for sustainable and profitable growth.

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, legal advisors, consultants and business associates with whose help, cooperation and hard work the Company is able to achieve the results.

The Board wish to place on record its sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all the levels, to ensure that the Company continues to grow and excel.

The Board acknowledges the continued trust and confidence you have reposed in the Company.

For and on behalf of the Board

**Maheswar Sahu**  
Chairman  
DIN: 00034051

**Date:** June 26, 2024

**Place:** Ahmedabad

**FORM NO. AOC - 1**

**Statement containing salient features of the financial statement of Subsidiaries/ associate companies/ joint ventures  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Part "A": Subsidiaries**

(Amount are in Million Indian ₹)

<b>Sr. No.</b>	<b>Name of Subsidiary</b>	<b>SKI-Clean Energy Private Limited</b>
1.	Reporting period	April 01, 2023 to March 31, 2024
2.	Reporting currency /Exchange rate	INR
3.	Share capital	0.50
4.	Reserves & surplus	(0.59)
5.	Total assets	0.10
6.	Total Liabilities	0.19
7.	Investments	Nil
8.	Turnover	Nil
9.	Profit before taxation	(0.16)
10.	Provision for taxation	(0.02)
11.	Profit after taxation	(0.14)
12.	Proposed Dividend	Nil
13.	% of Shareholding	70%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - SKI-Clean Energy Private Limited
- Names of subsidiaries which have been liquidated or sold during the year - Nil

## Part "B": Associates and Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

(Amount are in Million Indian ₹)

Sr No.	Name of Associates	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni Hon Cylinders Private Limited
1.	Latest Balance sheet date	31.03.2024	31.03.2024	31.03.2024
2.	Date on which Associate or Joint Ventures was associated or acquired	09.12.2019	19.12.2019	30.03.2022
3.	Shares of Associate or Joint Ventures held by the Company on the year end			
	No.	25,82,016	10,50,800	50,000
	Amount of Investment in Associates/Joint Venture	17.21	10.51	0.5
	Extent of holding (%)	37.50%	33.33%	50%
4.	Description of how there is significant influence	% of holding	% of holding	% of holding
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6.	Standalone Net worth attributable to Shareholding as per latest audited Balance Sheet (Standalone)	168.53	10.38	(1.47)
	Net worth from associate entities	-	-	-
	Consolidated Net worth attributable to Shareholding as per latest audited Balance Sheet	168.53	10.38	(1.47)
7.	Profit / Loss for the year	(50.08)	1.63	(1.34)
	Profit/Loss From Joint Entity	(0.07)	-	-
	Consolidated Profit/loss For the Year	(50.15)	1.63	(1.34)
	Other Comprehensive Income	(0.03)	(0.03)	-
	Total Comprehensive Income	(50.18)	1.60	(1.34)
	Company's share of profit/ (loss) from continuing operations	(18.80)	0.54	(0.67)
	Company Share Other Comprehensive Income	(0.01)	(0.01)	-
	Considered in Consolidation	(18.81)	0.53	(0.67)
	Not Considered in Consolidation	(18.81)	0.53	(0.67)

For and on behalf of Board of Directors

### Maheswar Sahu

Chairman

DIN: 00034051

### Karan Kaushal

Chief Executive Officer

### Harshal Anjaria

Chief Financial Officer

**Place:** Ahmedabad

**Date:** June 26, 2024

**FORM NO. AOC - 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name of the related party and Nature of the Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions, if any	Justification for entering into such Contracts/ Arrangements/ Transactions	Date of approval by Board	Amount paid as advances, if any	Date of passing Special Resolution
Nil								

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name of the related party and Nature of the Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions, if any	Date of approval by Board	Amount paid as advances, if any
Nil						

For and on behalf of the Board

**Maheswar Sahu**

Chairman

DIN: 00034051

**Date:** June 26, 2024

**Place:** Ahmedabad

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

### 1. A brief outline on CSR Policy of the Company:

The Company's CSR policy intends to operate its activities in providing clean energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on the environment and enhances the quality of life of the community, towards sustaining a holistic business. The Company undertakes a number of CSR activities in the larger interest of the community, especially in the area of clean energy promotion, health, education, women empowerment, and childcare and environment protection.

The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website [www.irmenergy.com](http://www.irmenergy.com).

### 2. The Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Maheswar Sahu	Chairman	3	3
2.	Mr. Chikmagalur Kalasheety Gopal	Member	3	3
3.	Mrs. Geeta Goradia <sup>1</sup>	Member	2	1
4.	Mr. Amitabha Banerjee	Member	3	2

<sup>1</sup>Mrs. Geeta Goradia ceased to be a member of the Committee w.e.f. January 06, 2024.

- Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. <https://www.irmenergy.com/investor/>
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable
- Average net profit of the company as per sub-section (5) of section 135. ₹ 90,48,98,616/-
  - Two percent of average net profit of the company as per sub-section (5) of section 135. ₹ 1,80,97,972/-
  - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. Nil
  - Amount required to be set-off for the financial year, if any. ₹ 3,95,542/-
  - Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ 1,77,02,430/-
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) ₹ 1,85,48,999/- spent on other than Ongoing CSR Projects
  - Amount spent in Administrative Overheads. Nil
  - Amount spent on Impact Assessment, if applicable. NA
  - Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹ 1,85,48,999/-
  - CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1,85,48,999					

## (f) Excess amount for set-off, if any:

(in ₹)

Sl. No. (1)	Particular (2)	Amount (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1,77,02,430/-
(ii)	Total amount spent for the Financial Year	1,85,48,999/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	8,46,569/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	8,46,569/-

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1					NIL		
2	FY-2					NIL		
3	FY-3					NIL		

## 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

 YES       NO

If yes, enter the number of Capital assets created/ acquired

33

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No. (1)	Short particulars of the property or asset(s) (2)	Pin Code of the property or asset(s) (3)	Date of creation (4)	Amount of CSR amount spent (₹ In Lakhs) (5)	Details of entity/ Authority/ beneficiary of the registered owner (6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	40.33 KWp Rooftop Solar PV Power Plant Installation Address: ADS Foundation CoE, Beside Jagannath Temple Road, Nr. Shani Temple, Behind Trimandir, Adalaj, Gandhinagar	382421	28-03-2024	15.00	CSR00007314	ADS Foundation	2nd Floor, Kailash B, 5 Sumangalam C.H.S.L., Beside HDFC Bank, Drive In Road, Ahmedabad - 380054, Gujarat.
2.	Solar Systems/Kits for upgradation of Modern Solar Lab 5 Nos. Address: ADS Foundation CoE, Beside Jagannath Temple Road, Nr. Shani Temple, Behind Trimandir, Adalaj, Gandhinagar	382421	25-10-2023	25.00			
3.	Model DX 200 - 5 A CNC Turning Lathe Machine Address: ADS Foundation CoE, Beside Jagannath Temple Road, Nr. Shani Temple, Behind Trimandir, Adalaj, Gandhinagar	382421	05-09-2024	23.00			

Sl. No. (1)	Short particulars of the property or asset(s) (2)	Pin Code of the property or asset(s) (3)	Date of creation (4)	Amount of CSR amount spent (₹ In Lakhs) (5)	Details of entity/ Authority/ beneficiary of the registered owner (6)		
					CSR Registration Number, if applicable	Name	Registered address
4.	Equipments purchase - (i) Inverted Microscope (with Fluorescence Light) (ii) CO2 Incubator (iii) Biosafety cabinet (iv) Cryostorage container (v) Refrigerator (vi) ChemiDoc System (vii) 2D Rocker (viii) Automated cell counter (ix) Pippets (Eppendorf Make) (x) Trolley (xi) Suction Machine (xii) Glassware Storage Address: Indrashil University, PO: Rajpur, Taluka Kadi, Dist: Mehsana, Gujarat	382715	18-01-2024 to 30-03-2024*	3.34	CSR00003497	Indrashil Kaka Ba & Kaka Budh Public Charitable Trust	"Kaka-Ba" 13, Sanjiv Baug, New Sharda Mandir Road, Ahmedabad, Gujarat- 380007
5.	Modernisation and Upgradation of IT Equipment and Infrastructure Facility for Lab Development- UPS System Address: Indrashil University, PO: Rajpur, Taluka Kadi, Dist: Mehsana, Gujarat	382715	08-02-2024 and 27-03-2024	4.00			
6.	Development of Lab Infrastructure Aluminium partition, Furniture/ Color Address: Indrashil University, PO: Rajpur, Taluka Kadi, Dist: Mehsana, Gujarat	382715	06-02-2024 to 13-03-2024*	1.01			
7.	Equipments purchase - (i) Magnetic Stirrer (Chill Bath) (ii) Small Magnetic Stirrers (HS2) (iii) Microscope Student with all accessories (iv) Digital Balances (v) Magnetic stirrer with Hot Plate (2 Ltr) (vi) Kymograph with Organ bath (Drum Assembly) (vii) Autoclave 22 Ltr (SS) (viii) Hot Air Oven-Thermostatic Controlled (ix) Water Bath (6 Hole Digital) (x) Vacuum Pump (15 Ltr/hr) Address: Indrashil University, PO: Rajpur, Taluka Kadi, Dist: Mehsana, Gujarat	382715	20-03-2024 and 27-03-2024	7.98			
8.	IT Equipment purchase (Computers, Printers etc.) Address: Indrashil University, PO: Rajpur, Taluka Kadi, Dist: Mehsana, Gujarat	382715	02-03-2024	1.43	CSR00043477	AIC-ISE Foundation	L. S. No: 415, Vill - Rajpur, Taluka: Kadi, Rajpur, Mahesana, Gujarat, 382740

Sl. No.	Short particulars of the property or asset(s)	Pin Code of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ In Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
9.	Cost of hydroponic units Address: Village: Odha, Kuwarva and Sardarpura, Deodar, Dis. Banaskantha, Gujarat	385330	30-09-2023	0.76	CSR00000285	N M Sadguru Water and Development Foundation	Post Box No. 71, at village Chosala, Dahod, Gujarat-389151.
10.	Cost of hydroponic units Address: Village: Sagvada and Kadadara, Taluka Morva Hadaf, Dis. Panchmahal, Gujarat	389115	30-09-2023	1.14	CSR00000285	N M Sadguru Water and Development Foundation	Post Box No. 71, at village Chosala, Dahod, Gujarat-389151.

\*This includes cases wherein multiple dates of capitalization exists, in such cases, range of dates has been provided.

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

For and on behalf of Board of Directors

**Karan Kaushal**  
Chief Executive Officer

**Maheswar Sahu**  
Chairman CSR Committee  
DIN: 00034051

**Place:** Ahmedabad  
**Date:** June 26, 2024

## FORM NO. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**IRM Energy Limited,**  
4th Floor, Block 8, Magnet Corporate Park,  
Near Sola Bridge, S G Highway,  
Ahmedabad 380 054.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IRM Energy Limited (CIN: L40100GJ2015PLC085213). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of IRM Energy 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IRM Energy Limited, having its Registered Office at 4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S G Highway, Ahmedabad 380 054 for the financial year ended on 31st March, 2024, according to the provisions of:

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

- (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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable during the year under review)
- (e) 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;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and; (Not Applicable during the year under review)
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable during the year under review)

vi. The Company has complied with the following specifically other applicable laws to the Company:

- (a) The Petroleum and Natural Gas Regulatory Board Act, 2006;
- (b) The Environment (Protection) Act 1986;
- (c) The Explosives Act, 1884;
- (d) The Gujarat State Disaster Management Act, 2003;
- (e) The Hazardous Waste (Management & Handling) Rules, 2016.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

### We 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 generally sent at least seven days in advance 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.

There were no dissenting views on any matter.

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.

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. The members of the Company at the Extraordinary General Meeting held on September 22, 2023 had approved the amendment by deleting Article 117A of Articles of Association (AOA) of the Company relating to right to nominate one director on the Board of the Company by Enertech Distribution Management Private Limited (EDMPL) in view of change in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Company came out with an Initial Public Offer of 1,08,00,000 equity shares of face value of ₹ 10/- each, comprising 1,05,84,000 equity shares at ₹ 505/- per Equity Share, including a share premium of ₹ 495/- per Equity Share and 2,16,000 equity shares for employee category at 9.5% discount on issue price i.e. at ₹ 457/- including a share premium of ₹ 447/- per Equity Share aggregating to ₹ 5449.96 million. The allotment was made on October 23, 2023 and the securities were listed effective from October 26, 2023
3. Mrs. Geeta Goradia (DIN: 00074343), Non-executive Independent Director, has resigned and ceased to be a Director of the Company w.e.f. January 06, 2024 and the vacancy of a woman director was not filled up by the year end.
4. The 8th Annual General Meeting (AGM) of the members of the Company was held on July 31, 2023 through video conferencing in terms of various MCA circulars.

For **M. C. Gupta & Co.**  
Company Secretaries  
UCN: S1986GJ003400

**Mahesh C Gupta**  
Proprietor  
FCS: 2047 (CP: 1028)  
Peer Review No.5380/2023  
UDIN: F002047F000618476

**Place:** Ahmedabad  
**Date:** 26th June, 2024

**Note:** This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

**Annexure: "A"**

To,  
The Members,  
**IRM Energy Limited,**  
4th Floor, Block 8, Magnet Corporate Park,  
Near Sola Bridge, S G Highway,  
Ahmedabad 380 054.

Our 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. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the 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 **M. C. Gupta & Co.**  
Company Secretaries  
UCN: S1986GJ003400

**Mahesh C Gupta**  
Proprietor  
FCS: 2047 (CP: 1028)  
Peer Review No.5380/2023  
UDIN: F002047F000618476

**Place:** Ahmedabad  
**Date:** 26th June, 2024

## Annexure - E

**Details pertaining to Remuneration as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2023-24**

- i. Ratio of the remuneration of each director to the median remuneration of all the employees of the Company and percentage increase in remuneration of the directors, Chief Executive Officer, Chief Financial Officer and Company Secretary for the Financial Year 2023-24 is as follows:

Sr. No.	Name of Directors/KMP	Designation	Ratio of remuneration to the Median remuneration of employees	% increase
1	Mr. Maheswar Sahu <sup>2</sup>	Non- Executive Director and Chairperson	18.65:1	-
2	Dr. Rajiv I. Modi	Non-Executive Director	NA	-
3	Mr. Amitabha Banerjee <sup>3</sup>	Non-Executive Director	0.31:1	-
4	Mr. Badri Narayan Mahapatra <sup>3</sup>	Non-Executive Director	0.55:1	-
5	Mr. Anandmohan Tiwari <sup>3</sup>	Independent Director	1.29:1	-
6	Mr. Chikmagalur Kalasheety Gopal <sup>3</sup>	Independent Director	1.73:1	-
7	Mr. Rabindra Nath Nayak <sup>3</sup>	Independent Director	0.55:1	-
8	Mrs. Geeta Goradia <sup>3,5</sup>	Independent Director	NA	-
9	Mr. Karan Kaushal	Chief Executive Officer	NA	15
10	Mr. Harshal Anjaria	Chief Financial Officer	NA	15
11	Ms. Shikha Jain	Company Secretary	NA	35

## Notes:

- The aforesaid details are calculated on the basis of remuneration paid during the financial year 2023-24
  - The remuneration includes sitting fees and commission paid to him during the financial year 2023-24.
  - The remuneration includes sitting fees paid to them during the financial year 2023-24.
  - Ceased to be Independent Director w.e.f. January 06, 2024, therefore ratio and percentage in increase is not considered for the above purpose.
- ii. Percentage increase in the median remuneration of all employees in the Financial Year 2023-24: 17%
- iii. Number of permanent employees on the rolls of the Company as on March 31, 2024: 163
- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average increase in remuneration of employees other than KMP's: 12%
  - Average increase in remuneration of KMP's: 22%

There is no exceptional circumstance for an increase in remuneration.

- v. Affirmation:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

**Annexure - F**
**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

**A. CONSERVATION OF ENERGY**
**(i) The Company has taken various steps for conservation of energy, which are as under:**

1. Installation of APFC (Automatic Power Factor Controller) panels at all the 82 CNG stations at all the Geographical Areas which includes 26 additional APFC panel installed in FY 2023-24: Automatic power factor controller has been installed at all CNG stations with 4 quadrant energy meters, in order to maintain power factor to ~ 0.99.
2. Additional deployment of 30 nos. of HCVs - engine complying BS-VI Norms (inbuilt SCR - Selective Catalytic Reduction and DPF - Diesel Particulate Filter) which assists in reducing air pollution and improving energy efficiency of engine.
3. 6 nos. High Speed Diesel fueled LCVs Replaced with CNG fueled LCVs during the year.
4. Deployed 46 nos. of Type-III mobile cascades which includes 6 additional Type-III mobile cascades in FY 2023-24. It can transport average 95% more CNG quantity in the same RTKM as compare to Type-I/Conventional Mobile cascades, hence the transportation of CNG became more efficient and hassle free. Also, IRMEL has deployed 3 nos. Type-IV mobile cascades. In addition to average 95 % more gas carrying capacity, it helps in improving vehicle mileage because of its lesser weight with compared to Type- I/Conventional Mobile cascades.
5. All conventional lights have been replaced with LED lights having 64% lesser wattage specifications with compared to conventional lights and ensuring mandatory usage of LED lights only on all new upcoming CNG stations to reduce electricity consumption.
6. All CNG operators, LCV/HCV Drivers and Fillers have been provided Safety Training and Occupational Competency (STOC) training & HCV drivers have been trained under 'Defensive Driving Program' to perform safe CNG operation activities across all GAs with optimum usage of necessary resources maintaining safe working environment.
7. Electric vehicle (EV) charging facility has been made available on 2 CNG stations in BK GA to

cater customers having Electrical vehicles and to promote usage of green fuel over conventional fuel used by customers.

8. With continued operation of LNG/LCNG facility in DGS GA, catering CNG & PNG customers with lesser overall sum of electricity consumption & transportation cost per kg which also helps in reducing numbers of movement of gas carrying vehicles on roads. One more additional LCNG station had been made operational in Namakkal region of Trichy & Namakkal GA with the future plan of LNG dispensing.

**(ii) The steps taken by the company for utilizing alternate sources of energy:**

1. Solar plant having 3.123 MW DC capacity has been commissioned and made operational in FY 2023-24 which compensates electricity consumption of 23 CNG stations in Banaskantha GA.
2. The capital investment on energy conservation equipment:

IRMEL has invested ₹ 13.68 Cr. towards erection (with material supply) & commissioning of 3.123 MW DC solar plant.

**B. TECHNOLOGY ABSORPTION**
**(i) The efforts made towards technology absorption:**

The dynamic business model of the Company ensures that we are abreast of the changing needs of our customers, with a focus on innovation and technology adaptation. Such technology adoptions have helped us in the improvement of the efficiency and accuracy of the systems, thereby leading to savings in operational costs.

Major efforts made towards the technology adoption in different segments of the Company are as follows:

**1. Compressed Natural Gas ("CNG") Segment:**

- a) Upgradation of all Fill post and Decanting Post to ½" tubing/fittings has been completed resulting in 13% Fast CNG filling in Mobile cascades as compared to conventional 3/8" size Fill post/Decanting Post at CNG stations which minimizes numbers of start-stop of compressor and reduced power consumption of Booster compressor.
- b) IRMEL has initiated Fill post Automation with Radio Frequency Identification (RFID) technology that made value addition in the CNG Fill post operations over the conventional filling system in order to reduce the human error and to reduce hard paper usage for record keeping at CNG fill post area.

- c) Continued and completed Installation of DVR and NVR setup of Hikvision at CNG stations of All GAs to monitor the CNG process area and forecourt area. Data collected from each site can be viewed through the **Hyper Multimedia monitoring server** in Master SCADA Control Room at Banaskantha & at redundant SCADA control room at Corporate office as well.
- d) With continued progress, total 82 CNG stations at all Geographical Areas have been integrated with SCADA (Supervisory Control And Data Acquisition) communication system to monitor and control CNG operational parameters till completion of FY 2023-24.
- e) All mobile cascade vehicles are being monitored through vehicle tracking system (VTS) which has enhanced vehicle movement tracking and brought in optimum vehicle movement on roads reducing unnecessary extra RTKM. Hence it has assisted reducing unnecessary fuel consumption and pollution on roads.
- f) Complaint Management System (CMS) has been brought on cloud to log and track all complaints digitally. Hence CNG can be made available for maximum possible time period on all CNG stations through monitoring of complaints on CMS online portal which can also provide real time complaint status.
- g) IRMEL took a leap in digitalization world with implementation of digital platform to manage CNG operations starting with Banaskantha GA. This digital solution encompasses digitization of forecourt operation, statutory compliance, Asset management, dashboard reporting, and centralized documents management which shall enhance CNG operation efficiency, centralized data access with consistency and compliance monitoring.
- h) IRMEL shall perform Alarm module modification in SCADA after completion of which, engineers shall be able to download and access alarm history with desired date and time which can help understating root cause of breakdown and behavior of CNG compressors.

## 2. Piped Natural Gas ("PNG") Segment:

An effective and sustainable operations management system is essential for the safe and uninterrupted supply of gas to consumers and the integrity of gas assets. Since the inception of gas supply, IRMEL has focused on developing a robust operations management system throughout the organization. The company is committed to embracing digitalization and automated technology in a sustainable and cost-effective manner. The

IRMEL team has successfully achieved several milestones in digitalization and automation. Notable projects include:

- **PNGnet Software for Domestic Consumer Lifecycle Management:** This comprehensive software covers customer enrolment, payment processing, customer commissioning, bill generation, bill payment, customer service management, and management information systems (MIS).
- **Digital Payment Solutions for Bill Payment:** By integrating platforms such as BillDesk, Bharat BillPay, WhatsApp payment, and dynamic QR codes with PNGnet, IRMEL has significantly reduced cash handling at customer care centres. These integrations offer customers multiple convenient payment options, thereby minimizing the inconvenience of long queues for bill payment.
- **Geographical Information System (GIS) for Digitalization of Gas Pipeline Network and Assets:** Implementing GIS across all geographical areas (GAs) has brought the gas infrastructure (including pipelines and other assets) onto a digital platform. This digitalization enables the visualization of assets, retrieval of related information for analysis, and supports informed decision-making.
- **Automated Reading of CGS, DRS, and Industrial and Commercial Customers:** Automated reading systems have enhanced the monitoring of critical parameters and gas consumption. This technology reduces the need for human intervention in data collection, compilation, storage, and management, thereby facilitating better resource utilization.
- **Digitalization of Workflow:** With the implementation of GIS and Automated Meter Reading (AMR), many critical operations and maintenance processes have been digitalized. This digitalization has improved information flow and operations management. Key processes that have been digitalized include incident and third-party activity reporting, gas sales and purchase reporting, preventive, corrective, breakdown, and condition-based maintenance, and industrial and commercial joint metering and billing.

IRMEL's commitment to continuous improvement and innovation ensures the delivery of safe, reliable, and efficient gas supply to its consumers. Following are the major initiatives taken in technology and automation in order to enhance operational efficiency and cost reduction:

- **Digitalization of Billing process for industrial and commercial customers:**

The digitalization initiative was launched to streamline the entire process, reduce human effort, and ensure that bills are issued to customers on the same day as joint metering. This initiative follows the successful digitalization of the gas reconciliation process we previously implemented. In line with standard practices in CGD, joint metering and billing for industrial customers are conducted bi-weekly, with bills generated and shared via email and hard copy.

Similarly, joint metering and billing for commercial customers are conducted on the 25th of each month. Previously, the joint metering and billing process for both industrial and commercial customers relied heavily on Excel, requiring significant human intervention and effort to complete each billing cycle. The increasing number of customers, dependence on individuals, and the cumbersome nature of the process caused billing cycles to take 4 to 5 days under normal conditions.

With the digitalization of the entire process, joint metering and billing are now completed on the same day: the 16th and 1st of each month for industrial customers, and the 25th of each month for commercial customers.

The digital solution encompasses the generation of sales summaries, joint metering reports, system-defined logical data validation, GCV validation, invoice generation, and the sharing of joint metering reports and invoices with individual customers via email and WhatsApp (for commercial customers).

- **Automated meter reading (AMR) of commercial customers:**

IRMEL successfully implemented an AMR solution for industrial connections, achieving nearly 99% uptime with consistent daily data reception at a predefined time. This has significantly reduced the human effort required for collecting daily readings for gas reconciliation and analyzing industrial customers' consumption patterns, facilitating data-driven decision-making.

With the number of commercial connections gradually increasing (over 300 across all GA), operational challenges in collecting readings and monitoring consumption patterns have arisen. To address this, an AMR solution has also been implemented for commercial customers. Since its implementation, automated meter readings have been utilized for the monthly

billing of commercial connections, replacing the previously manual process.

- **Digitalization of Asset Maintenance processes:**

IRMEL has successfully implemented a digital preventive maintenance system. This system allows for the creation of annual preventive maintenance plans for gas assets, with predefined frequencies. Based on these plans, a monthly maintenance schedule is automatically generated at the start of each month.

**Key features of the solution include:**

- **Progress Tracking:** Track maintenance progress in both calendar and dashboard views.
- **Mobile Integration:** An Android-based mobile app enables real-time updates by site users. The app is geo-referenced, ensuring PM checkpoints can only be updated at the asset location.
- **Web-Based Dashboard:** Allows role holders to monitor day-to-day progress, take necessary actions, and improve overall performance. It also displays the locations of maintenance personnel executing PM tasks.
- **PM Order Generation:** Generate PM orders for corrective, breakdown, and condition-based maintenance activities. This feature helps in executing time-independent maintenance tasks effectively and provides ready access to asset-wise maintenance history.

- **Remote monitoring of odorization unit**

IRMEL has implemented remote monitoring of the odorization unit at the newly commissioned City Gate Stations in Namakkal and Tiruchirappalli. This system enables real-time monitoring of odorant dosing in gas pipelines and other critical performance parameters. The web-based solution uses a GSM-based modem to directly communicate with the odorant microcontroller, providing real-time data on odorant dosing and system performance.

- **Remote Corrosion monitoring of steel pipeline using Impressed Current Cathodic protection system with Remote Terminal Unit:**

IRMEL has deployed an impressed current cathodic protection system to uphold the integrity of our steel pipeline network. Moreover, Remote Monitoring Units and Computerized Test Station Units have

been installed to remotely monitor critical health parameters of the steel pipeline and conduct daily pipeline health analysis. This implementation has significantly decreased operational expenses associated with manual data collection through daily visits.

**(ii) The benefits derived like product improvement, cost reduction, product development and import substitution:**

IRMEL has been actively enhancing maintenance and safety standards across its facilities to ensure a reliable supply of PNG & CNG to customers. Here are the key initiatives undertaken:

- a) **Integrity Management System (IMS):** In compliance with PNGRB regulations, IRMEL has developed and implemented an IMS. This system, approved by management after a thorough conformity assessment by a PNGRB empaneled third party, ensures the integrity of our operations and assets.
- b) **Cross-Functional Audits:** To meet PNGRB regulations for T4S, IMS, and ERDMP, a cross-functional team, including senior management, conducts regular internal audits. These audits help identify areas for improvement and ensure adherence to regulatory requirements.
- c) **Comprehensive HSE Tours:** Senior management conducts comprehensive Health, Safety, and Environment (HSE) tours across all Geographical Areas (GAs). These tours involve thorough inspections of facilities, meetings with local management teams, and direct interactions with on-site workers. They are aimed at evaluating the effectiveness of existing safety protocols, identifying potential hazards, and ensuring compliance with HSE standards.
- d) **Inspection Plan:** IRMEL has developed a comprehensive inspection plan to systematically assess the condition of our infrastructure and equipment. Regular inspections help identify and address potential issues before they escalate into significant problems, ensuring the reliability and safety of our operations.
- e) **Emergency Response Mock-Drills:** Regular mock drills are conducted across all GAs to test the readiness of our staff to handle emergencies effectively. These drills simulate various emergency scenarios, allowing our teams to practice their response procedures and identify areas for improvement.
- f) **Safety Studies:** In FY 23-24, IRMEL conducted 81 safety studies covering critical facilities/assets/installations. These studies, including Hazard and Operability (HAZOP), Quantitative Risk Assessment (QRA), Emergency Response and Evacuation Plan (EMERA), and Hazardous Area Classification (HAC) studies, help identify potential risks and enhance safety measures to comply with regulatory standards.
- g) **Staff Training:** To ensure that our employees are equipped with the necessary knowledge and skills to operate safely, IRMEL conducts extensive HSE training programs. These programs cover a wide range of topics, including safety procedures, maintenance practices, and emergency response protocols, and are conducted regularly across all GAs.
- h) **Public Awareness Sessions:** Cross-functional teams conduct periodic public awareness programs to educate the public on gas safety practices. These sessions cover topics such as recognizing gas leaks, using gas appliances safely, and responding to emergencies, helping to promote a culture of safety within the community.
- i) **Mutual Aid Agreements:** IRMEL has established mutual aid agreements with major industries and peer CGD/Oil & Gas entities within or adjacent to our GAs. These agreements facilitate collaboration during emergencies and ensure a coordinated response to disaster situations, enhancing our emergency preparedness and response capabilities.
- j) **Gas Detector Installation:** Advanced gas detectors have been installed in District Regulation Stations (DRS) to detect gas leaks early. These detectors provide real-time monitoring of gas levels, allowing us to take prompt action to prevent potential accidents and ensure a safer working environment for our employees.
- k) **Cathodic Protection System:** To protect our steel pipelines from corrosion and extend their lifespan, IRMEL has implemented a Cathodic Protection (CP) system. This system helps mitigate the risk of pipeline failures and leaks, enhancing the overall safety and integrity of our pipeline distribution network.
- l) **Remote Cathodic Protection Monitoring:** Remote monitoring of cathodic protection systems ensures continuous monitoring of the health of our steel pipeline network. This proactive approach helps detect any issues early and allows us to take timely corrective action to prevent potential problems.
- m) **Digitalized Preventive Maintenance:** IRMEL has strengthened preventive maintenance by digitalizing workflows and implementing mobile app-based reporting. This digital solution enables near real-time updates on maintenance activities, improving efficiency and performance.
- n) **GIS-Based Reporting:** All digging and third-party activities near our gas pipeline network are reported using GIS-based mobile apps. This information is

closely monitored from our centralized control room, allowing us to take proactive measures to prevent third-party damages and ensure the integrity of our pipeline network.

- o) **Adherence to HSE SOPs:** Strict adherence to HSE Standard Operating Procedures (SOPs) and guidelines is maintained during all day-to-day operations and maintenance activities. Regular mock drills are conducted to assess our emergency preparedness and ensure that our teams are well-prepared to respond to any situation effectively.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): None**

- a) the details of technology imported: NA

- b) the year of import: NA  
 c) whether the technology has been fully absorbed: NA  
 d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof: NA

**(iv) Expenditure on R&D (₹ In lacs): Nil**

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Amount in Crores)

Particulars	2023-24	2022-23
Foreign Exchange earned	Nil	43.83
Foreign Exchange outgo (Including import of goods on CIF basis)	4.07	2.60

# Corporate Governance Report

The Corporate Governance Report for the Financial Year 2023-24 is prepared in accordance with Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

## Company's Philosophy on Corporate Governance

IRM Energy Limited ("IRMEL" / "the Company") believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company in a transparent manner and help in maximizing value for all the stakeholders like members, customers, employees, contractors, vendors, and the society at large. Good Corporate Governance practices help in building an environment of trust and confidence among all the constituents.

We believe that Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively and constantly strive to achieve. Our multiple initiatives towards maintaining the highest standards of governance are detailed hereinafter.

The Corporate Governance framework of the Company is based on the following broad practices:

- a) Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law.
- b) Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organization.
- c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.
- d) Making timely and requisite disclosures for dissemination of information to all its stakeholders.
- e) Having strong systems and processes to ensure full and timely compliance with all regulatory requirements.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI Listing Regulations, as applicable for the financial year 2023-24.

## Board of Directors

The Board of Directors ("Board") is the apex body overseeing the Company's overall functioning. It provides strategic direction, leadership, and guidance to the Company's management and also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders.

## Board Composition

The Board composition is in conformity with the applicable provisions of the Companies Act, 2013, ("Act") and the SEBI Listing Regulations, as amended from time to time. The Board of Directors of the Company is led by the Non-Executive Director designated as the Chairman. As on March 31, 2024, the Board of the Company comprises seven Directors out of which four Directors are Non-Executive Non Independent Directors and three Directors are Non-executive Independent Directors. None of the Directors on the Board has attained the age of 75 years.

During the year under review, Mrs. Geeta Goradia (DIN: 00074343), Non-executive Independent Director, has resigned and ceased to be a Director of the Company w.e.f. January 06, 2024 due to pre-occupation and other personal business commitments. Following her resignation, Mrs. Geeta Goradia also ceased to be member of the Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board of Directors of the Company effective January 06, 2024. Further, the Company has received confirmation from Mrs. Geeta Goradia that there were no material reasons for her resignation other than those, mentioned in her resignation letter.

After the year under review, Mrs. Kaushal Nakrani (DIN: 08405226) was appointed as Additional Non-Executive Independent Director for a period of three years effective from June 01, 2024, by the Board of Directors in the Meeting held on May 21, 2024.

All Independent Directors have confirmed in accordance with Regulation 25(8) of the SEBI Listing Regulations that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act and the rules framed thereunder. Based on the disclosures received from all the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions of Independence as specified in the Act, the SEBI Listing Regulations and they are independent of the Management.

The composition and categories of the Directors on the Board their attendance at the last Annual General Meeting and their Directorship(s), Committee Membership(s), or Chairpersonship(s) in other companies are provided below for FY 2023-24:

Name of the Director	DIN	Category	Shareholding in the Company	Whether attended the last AGM	No. of Directorship(s) in other listed companies	Details of Committees <sup>(1)</sup>	
						Member	Chairperson
Mr. Maheswar Sahu	00034051	Chairman & Non-Executive Director	1,40,718 Equity shares	Yes	3	7	4
Dr. Rajiv Indravadan Modi	01394558	Promoter, Non-Executive Director	-	Yes	0	1	0
Mr. Amitabha Banerjee	05152456	Non-Executive Director	551 Equity shares	Yes	0	2	0
Mr. Badri Narayan Mahapatra	02479848	Non-Executive Director	-	Yes	0	0	0
Mr. Chikmagalur Kalasheety Gopal	08434324	Independent Director	-	Yes	1	4	3
Mr. Anand Mohan Tiwari	02986260	Independent Director	899 Equity shares	Yes	1	1	0
Mrs. Geeta Amit Goradia <sup>(2)</sup>	00074343	Independent Director	-	Yes	2	3	0
Mr. Rabindra Nath Nayak	02658070	Independent Director	-	Yes	1	4	1

(1) Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders Relationship Committee of the Company and other public companies as per Regulation 26(1)(b) of the SEBI Listing Regulations.

(2) Mrs. Geeta Goradia ceased to be Director w.e.f. January 06, 2024.

The names of the other listed companies where Directors of the Company hold directorship and their category of directorship as on March 31, 2024, are given below:

Sr. No.	Name of Directors	Name of other listed companies	Category of directorship
1.	Mr. Maheswar Sahu	Ambuja Cements Limited	Independent Director
		Diamond Power Infrastructure Limited	Independent Director
		Maruti Suzuki India Limited	Independent Director
2.	Mr. Chikmagalur Kalasheety Gopal	Astral Limited	Independent Director
3.	Mr. Anand Mohan Tiwari	Transpek Industry Limited	Independent Director
4.	Mr. Rabindra Nath Nayak	Diamond Power Infrastructure Limited	Independent Director

None of the Directors on the Board holds directorships in more than ten public companies and memberships in more than ten committees and none of them acts as chairperson of more than five committees across all public limited companies in which he/she is director, in terms of the limits stipulated under the Act and the SEBI Listing Regulations. Necessary disclosures have been made by all the Directors regarding their board / committee positions.

None of the Directors serves as a director or independent director in more than seven listed entities.

Detailed profile of each of the Directors are available on the website of the Company at [https:// www.irmenergy.com/](https://www.irmenergy.com/)

### Details of Board Meetings

The Board meets at regular intervals to discuss and decide on Company/business policies and strategies apart from

other regular business matters. The Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees.

The agenda is generally circulated a week prior to the date of the meeting and includes detailed notes on items to be discussed at the meeting to enable the Directors to take an informed decision. However, in case of urgency, the agenda is circulated on shorter notice as per the provisions of the Secretarial Standards on Meetings of the Board of Directors. The Company also provides the facility to the Directors to attend meetings of the Board and its Committees through Video/ Tele Conferencing mode.

During the year, six meetings of the Board of Directors were convened. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. The requisite quorum was present for all the meetings held during the year under review.

The attendance of each Director at the meetings of the Board held during the year under review, are as under:

Name of Director	Date of Board Meeting						Total No. of Meetings attended
	31-05-2023	19-09-2023	09-10-2023	21-10-2023	09-11-2023	09-02-2024	
Mr. Maheswar Sahu	√	√	√	√	√	√	6/6
Dr. Rajiv I. Modi	√	√	×	√	√	√	5/6
Mr. Amitabha Banerjee	√	√	√	×	√	√	5/6
Mr. Badri Mahapatra	√	√	√	√	√	√	6/6
Mr. Chikmagalur Kalasheety Gopal (ID)	√	√	√	√	√	√	6/6
Mr. Anand Mohan Tiwari (ID)	√	√	√	√	√	√	6/6
Mrs. Geeta Goradia (ID)*	×	×	√	√	√	-	3/5
Mr. Rabindra Nayak	√	√	√	√	√	√	6/6

\*Mrs. Geeta Goradia ceased to be Director w.e.f. January 06, 2024.

### Inter-se Relationships among directors

None of the directors are related to each other.

### Familiarisation Programme for Directors (including Independent Directors)

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the geographical areas where the company operates and interact with members of Senior Management as part of the induction programme. The

Senior Management make presentations giving an overview of the Company's strategy, operations, products, markets, group structure, subsidiary and associates, the major risks, and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management. The Company has adopted policy on Familiarisation Programme for Independent Directors, the details of the familiarisation programme of the Independent Directors are available on the website of the Company at the link: <https://www.irmenergy.com/>

### Skills/expertise/competencies of the Board of Directors

The list of core skills/ expertise/competencies as identified by the Board of Directors in the context of its business and sector for it to function effectively and those available with the Board are as under:

The attendance of each Director at the meetings of the Board held during the year under review, are as under:

Skills	Particulars
Leadership	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction.
Strategy and Planning	Ability to understand long-term trends, make strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Risk Management, Audit & Finance and Accounts	Ability to understand the various risks and ensure that appropriate policies and procedures are in place to effectively manage risk, in depth knowledge and skills in accounting, financial management, financial reporting processes, budgeting, audit, capital allocation, taxation, treasury operations.
Operations Management and Technology/ Innovation	Ability to understand emerging trends in product design and development, research, disruptions in technology and in business models.
Governance, Compliance and Regulatory Affairs	Ability to understand relevant laws, regulations, and regulatory frameworks applicable to the industry, designing compliance frameworks, conducting risk assessments, implementing controls, and ability to navigate complex ethical considerations in legal and regulatory compliance.
Global experience/ international exposure	Ability to have access to and understanding the business models of global corporations, as well as staying informed about developments in leading companies and assist the company in adapting to the local environment, understanding geopolitical dynamics, and building a network of contacts
Merger and Acquisitions	Ability to envision how combining two or more companies can achieve synergies, competitive advantages, and growth opportunities, assess the value of companies accurately, and understanding the impact of potential transactions

The mapping of the Skill Matrix for all Directors is as follows:

Name of Director	Skills						
	Leadership	Strategy and Planning	Risk Management, Audit & Finance and Accounts	Operations Project Management and Technology/ Innovation	Governance, Legal Compliance and Regulatory Affairs	Global experience/ international exposure	Merger and Acquisitions
Mr. Maheswar Sahu	√	√	√	√	√	√	√
Dr. Rajiv I. Modi	√	√	√	√	√	√	√
Mr. Amitabha Banerjee	√	√	√	√	√	√	-
Mr. Badri Mahapatra	√	√	-	√	√	√	-
Mr. Chikmagalur Kalasheety Gopal	√	√	√	√	√	√	-
Mr. Anand Mohan Tiwari	√	√	√	√	√	√	√
Mr. Rabindra Nath Nayak	√	√	√	√	√	√	√

**Note:** These skills/competencies are broad-based, encompassing several areas of expertise/experience as shown in the table above. Each Director may possess varied combinations of skills/experience within the described set of parameters.

## COMMITTEES OF THE BOARD

### AUDIT COMMITTEE:

The Board has constituted the Audit Committee to review internal controls and audit findings, review of financial statements, and appointment of auditors amongst other responsibilities as contained in the Terms of Reference. The composition and terms of reference of the Audit Committee satisfy the requirement of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations.

#### Terms of Reference:

The terms of reference of the Audit Committee are as follow:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditor and the fixation of the audit fee of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Formulating a policy on related party transactions, which shall include materiality of related party transactions
6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;

- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions; and
- (g) Modified opinion(s) in the draft audit report.

7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013;

10. Reviewing, at least on a quarterly basis, the details of the related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

11. Scrutinising of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluating of internal financial controls and risk management systems;
14. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
15. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
16. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
17. Discussing with internal auditors on any significant findings and follow up thereon;
18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
19. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
21. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. Reviewing the functioning of the whistle blower mechanism;
23. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
24. Monitoring the end use of funds raised through public offers and related matters;
25. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;
27. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;
28. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
29. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services; and
30. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
31. To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
32. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

#### ***Powers of the Audit Committee***

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure the attendance of outsiders with relevant expertise if it considers necessary;
5. Such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### ***Reviewing Powers***

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of the financial condition and results of operations;
2. Management letters/letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
5. Statement of deviations:
  - (i) quarterly statement of deviation(s) including a report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
  - (ii) annual statement of funds utilized for purposes other than those stated in the document/prospectus/ notice in terms of the Listing Regulations.
6. Review the financial statements, in particular, the investments made by any unlisted subsidiary.

### Meetings, attendance, and Composition of Audit Committee

During the year under review, Audit Committee met 6 (Six) times i.e., on May 30, 2023, September 19, 2023, October 09, 2023, November 09, 2023, December 30, 2023 and February 09, 2024. The details of attendance of the Audit Committee members at the meetings held during the year are given below:

Sr. No.	Name of Members	Category	No. of Meetings	
			Held during the tenure	Attended
1.	Mr. Chikmagalur Kalasheety Gopal (Chairman)	Independent Director	6	6
2.	Mr. Anand Mohan Tiwari	Independent Director	6	6
3.	Mr. Maheswar Sahu <sup>(1)</sup>	Non-Executive Director	4	4
4.	Mr. Amitabha Banerjee <sup>(2)</sup>	Non-Executive Director	2	2
5.	Mrs. Geeta Goradia <sup>(2)(3)</sup>	Independent Director	1	0

(1) Mr. Maheswar Sahu ceased to be member w.e.f. November 09, 2023.

(2) Mr. Amitabha Banerjee and Mrs. Geeta Goradia appointed as members w.e.f. November 09, 2023.

(3) Mrs. Geeta Goradia ceased to be member w.e.f. January 06, 2024.

### NOMINATION & REMUNERATION COMMITTEE

The Board has constituted the Nomination & Remuneration Committee to recommend the recruitments of MDs, WTDs, Independent Directors, and KMPs, as & when applicable to the Company and to do all the acts pursuant to provisions of Section 178 as per the Act. The Composition and terms of reference of the Nomination & Remuneration Committee satisfy the requirement of Section 178 of the Act and Regulation 19 of SEBI Listing Regulations

#### Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee are as follow:

- Formulating the criteria for determining qualifications, positive attributes, and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to directors, key managerial personnel, and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on

the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates

- Formulating of criteria for evaluation of the performance of the independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- Analysing, monitoring and reviewing various human resource and compensation matters;

9. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
10. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
11. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
12. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
13. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
14. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
15. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
16. Recommend to the Board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary.

#### Meetings, attendance, and Composition of Nomination & Remuneration Committee:

During the year under review, the Nomination & Remuneration Committee met 3 times i.e., on May 30, 2023; January 22, 2024, and March 15, 2024. The details of attendance of the Nomination & Remuneration Committee members at the meetings held during the year are given below:

Sr. No.	Name of Members	Category	No. of Meetings	
			Held during the tenure	Attended
1.	Mr. Anand Mohan Tiwari (Chairman)	Independent Director	3	3
2.	Mr. Chikmagalur Kalasheety Gopal	Independent Director	3	3
3.	Mr. Maheswar Sahu	Non-Executive Director	3	3

#### Performance Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning.

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board has constituted the Corporate Social Responsibility (CSR) Committee to formulate CSR policy, review and recommend to the Board amount of expenditure to be incurred on the CSR activities. The Composition and terms of reference of the CSR Committee satisfy the requirement of Section 135 of the Act read with rules made thereunder.

#### Terms of Reference:

The terms of reference of the Corporate Social Responsibility Committee are as follow:

1. To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;
2. formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
3. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial

- years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
7. To monitor the CSR Policy and its implementation by the Company from time to time;
  8. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

#### Meetings, attendance, and Composition of Corporate Social Responsibility Committee:

During the year under review, the Corporate Social Responsibility Committee met 3 (Three) times i.e., on May 30, 2023, September 19, 2023 and February 09, 2024. The details of attendance of the Corporate Social Responsibility Committee members at the meetings held during the year are given below:

Sr. No.	Name of Members	Category	No. of Meetings	
			Held during the tenure	Attended
1.	Mr. Maheswar Sahu (Chairman)	Non-Executive Director	3	3
2.	Mr. Chikmagalur Kalasheety Gopal	Independent Director	3	3
3.	Mrs. Geeta Goradia <sup>1</sup>	Independent Director	2	1
4.	Mr. Amitabha Banerjee	Non-Executive Director	3	2

1. Mrs. Geeta Goradia ceased to be member w.e.f. January 06, 2024.

The CSR policy is available on the Company's website <https://www.irmenergy.com/wp-content/uploads/2022/12/CSR-Policy.pdf> as required under the provisions of Section 135 of the Act and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board has constituted the Stakeholders' Relationship Committee of the Board for redressing the shareholder/investor complaints and grievances, as per the provisions of Section 178 of the Act. The Composition and terms of reference of the Stakeholders Relationship Committee satisfy the requirement of Section 178 of the Act and Regulation 20 of SEBI Listing Regulations .

#### Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee are as follow:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for the effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
3. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To approve, register, refuse to register transfer or transmission of shares and other securities and debentures, dematerialization of shares and re-materialization of shares, split, and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time;
8. To sub-divide, consolidate, and or replace any share or other securities certificate(s) of the Company;
9. Allotment and listing of shares;
10. To authorize affixation of the common seal of the Company;
11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

12. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
13. To dematerialize or rematerialize the issued shares;
14. Ensure proper and timely attendance and redressal of investor queries and grievances;
15. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
16. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

#### Meetings, attendance, and Composition of Stakeholders Relationship Committee:

During the year under review, the Stakeholders Relationship Committee met 1 (One) time i.e., on February 09, 2024. The details of attendance of the Stakeholders Relationship Committee members at the meetings held during the year are given below:

Sr. No.	Name of Members	Category	No. of Meetings	
			Held during the tenure	Attended
1.	Mr. Maheswar Sahu (Chairman)	Non-Executive Director	1	1
2.	Mr. Chikmagalur Kalasheety Gopal	Independent Director	1	1
3.	Mrs. Geeta Goradia <sup>1</sup>	Independent Director	0	0
4.	Mr. Amitabha Banerjee	Non-Executive Director	1	1

1. Mrs. Geeta Goradia ceased to be member w.e.f. January 06, 2024.

Ms. Shikha Jain, Company Secretary and Compliance Officer of the Company acted as a Secretary to the Committee for FY 2023-24.

#### Details of Investor Communication/ Queries received and redressed during FY 2023- 24 are as follows:

Pending at the beginning of the FY	Received during the FY	Resolved during the FY	Unresolved at the end of the FY
0	785	785	0

#### RISK MANAGEMENT COMMITTEE:

As per Regulation 21 of SEBI Listing Regulations, the Company was not required to constitute the Risk Management Committee for the FY 2023-24, while the Board has voluntarily constituted a Risk Management Committee of the Board on September 24, 2022, to frame, implement and actively monitor and review the risk management plan and ensure its effectiveness.

#### Terms of Reference:

The terms of reference of the Risk Management Committee are as follow:

- (1) To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (7) To approve major decisions affecting the risk profile or exposure and give appropriate directions.

#### Meetings, attendance, and Composition of Risk Management Committee:

During the year under review, no meeting of the Committee was held. The details of the composition of the Risk Management Committee are given below

Sr. No.	Name of Members	Category
1.	Mr. Rabindra Nath Nayak (Chairman)	Independent Director
2.	Mr. Anand Mohan Tiwari	Independent Director
3.	Mr. Chikmagalur Kalasheety Gopal	Independent Director
4.	Mr. Maheswar Sahu	Non-Executive Director

## PARTICULARS OF SENIOR MANAGEMENT PERSONNEL

As on March 31, 2024, the details of Senior Management Personnel are given below:

Sr. No.	Name	Designation
1.	Mr. Karan Kaushal	Chief Executive Officer
2.	Mr. Harshal Anjaria	Chief Financial Officer
3.	Mr. Prashant Sagar	Chief Operating Officer & EVP - PNG Projects
4.	Mr. Manas Khaire <sup>(1)</sup>	EVP - CNG Projects & O&M
5.	Mr. Raghuvirsinh Solanki	EVP - Commercial and Marketing
6.	Mr. Prakash Sinha	VP -PNG (Technical and HSE)
7.	Mr. Prerit Gupta	GA Head (Fatehgarh Sahib)
8.	Mr. Budhram Siyag	GA Head (Banaskantha)
9.	Mr. Swetang Goti <sup>(2)</sup>	GA Head (Diu and Gir Somnath)
10.	Mr. Arivazhgan R	GA Head (Namakkal and Tiruchirappalli)
11.	Mrs. Prachi Joshi	Senior Manager (HR & Admin)
12.	Ms. Shikha Jain <sup>(3)</sup>	Company Secretary & Compliance Officer

- (1) Mr. Manas Khaire will ceased to be EVP - CNG Projects & O&M w.e.f. July 15, 2024
- (2) Mr. Swetang Goti ceased to be GA Head (Diu and Gir Somnath) w.e.f. May 03, 2024
- (3) Ms. Shikha Jain ceased to be Company Secretary & Compliance Officer w.e.f. June 21, 2024.

- Details of Remuneration paid to Directors during the FY 2023-24 are given below:

(Amount in ₹ Lakhs)

Sr. No.	Directors	Sitting Fees	Commission	Total
<b>Non-Executive Director</b>				
1.	Mr. Maheswar Sahu	10.80	110.15	120.95
2.	Mr. Amitabha Banerjee	2.00	-	2.00
3.	Mr. Badri Narayan Mahapatra	3.60	-	3.60
<b>Non-Executive Independent Director</b>				
4.	Mr. Chikmagalur Kalasheety Gopal	11.20	-	11.20
5.	Mr. Anand Mohan Tiwari	8.40	-	8.40
6.	Mrs. Geeta Goradia	2.20	-	2.20
7.	Mr. Rabindra Nath Nayak	3.60	-	3.60

### Notes-

- No sitting fee was paid to Dr. Rajiv I Modi, Non-Executive Director, during the financial year 2023-24.
- No sitting fee was paid to Mr. Amitabha Banerjee, Non-Executive Director, for attending the meetings of the Board and its Committees except for the IPO Committee during the financial year 2023-24.
- Except for the sitting fees to the Non-executive Directors and commission to the Non-Executive Chairman, there was no pecuniary relationship or transaction between the Company and any of its directors.
- The Company has not granted any stock options to any of its Non-Executive Directors and Non-Executive Independent Directors.
- There is no notice period and provision for payment of severance fees.

## REMUNERATION OF DIRECTORS

### Nomination and Remuneration Policy

The Company has formulated and adopted a Nomination and Remuneration Policy in accordance with the provisions of the Act read with the Rules issued thereunder and SEBI Listing Regulations. This Policy is available on the website of the Company i.e., [www.irmenergy.com](http://www.irmenergy.com).

### Details of Remuneration to Non-Executive Directors

#### - Sitting Fees

The Non-Executive Director and Non-Executive Independent Director are entitled to sitting fees for attending the meetings of the Board and Committees thereof. Sitting fees paid to these Directors are within the prescribed limits under the Act, and as determined by the Board from time to time.

#### - Commission

The Shareholders at Annual General Meeting held on July 31, 2023, approved the payment of commission @1% of the net profits of the Company to Mr. Maheswar Sahu, Chairman and Non-Executive Director of the Company for FY 2023-24.

## GENERAL BODY MEETINGS

### A) Annual General Meeting (AGM)

Details of date, time and location of Annual General Meetings held during previous three years and special resolutions passed thereat are as follows:

Financial Year	Date	Time	Location	Special Resolution Passed
2022-23	July 31, 2023	11:00 AM	Through Video Conference (VC)/ Other Audio-Visual Means (OAVM)	To approve the continuation of the commission to Mr. Maheswar Sahu, Chairman
2021-22	August 23, 2022	11:00 AM	4th Floor, Block 8, Magnet Corporate Park, Nr. Sola Bridge, S. G. Highway, Ahmedabad 380054	Re-appointment of Mr. Chikmagalur Kalasheety Gopal as an Independent Director of the Company for the second term of five consecutive years
2020-21	September 24, 2021	11:30 AM	4th Floor, Block 8, Magnet Corporate Park, Nr. Sola Bridge, S. G. Highway, Ahmedabad 380054	None

\* In view of the COVID-19 pandemic, the 8th AGM was conducted through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the presence of the members at a common venue in due compliance with applicable provisions of the Act, the rules made thereunder read with MCA's General Circulars.

### B) Whether any special resolution passed last year through postal ballot -

No special resolutions were put through Postal Ballot during the year under review.

### C) Whether any resolution is proposed to be conducted through postal ballot

No resolution is proposed for approval of the members by way of Postal Ballot as on the date of this report.

### b) Material information and updates:

The Company has maintained a functional website [www.irmenergy.com](http://www.irmenergy.com) in accordance with the Regulation 46 of the SEBI Listing Regulations. A separate dedicated section 'Investors' on the Company's website provides the information of Compny's business, financial results, shareholding patterns, Codes, compliance with corporate governance, material/price sensitive information, contact details of the designated officials of the Company who are responsible for assisting and handling investor grievance, etc.

## MEANS OF COMMUNICATION

The Company promptly discloses information on financial results, material corporate developments and other events as required under the SEBI Listing Regulations. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Press Releases, Annual Reports and by placing relevant information on its website.

### a) Financial Results:

The equity shares of the Company were listed on Stock Exchanges on October 26, 2023. Post listing, the quarterly/ half yearly/annual financial results were disseminated through website of Stock Exchanges and also uploaded on the website of the Company at <https://www.irmenergy.com/investor/#financial-statements> and published in the newspapers viz. the Financial Express (English- National Daily all edition), the Financial Express (Gujarati Edition)/ the Ahmedabad Express (Gujarati Edition). The presentation on quarterly/ half yearly/annual financial results were disseminated on the website of the Company at <https://www.irmenergy.com/investor/#financial-statements>.

## GENERAL SHAREHOLDER INFORMATION

### A. Company Registration Details

The Company was incorporated on December 01, 2015 and registered with the ROC - Ahmedabad. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L40100GJ2015PLC085213.

### B. Annual General Meeting

Date	August 02, 2024
Venue/Mode	Through Video Conferencing and Other Audio-Visual Means (VC/OAVM)
Time	11:00 AM

### C. Financial Year: April 01, 2023 to March 31, 2024

### D. Dividend Payment Date

The Company has fixed July 12, 2024 as the 'Record Date' for the final dividend. If approved by the shareholders at this AGM, the date of payment of the dividend would be within 30 days from the date of this AGM.

## E. Listing Details

The equity shares of the Company are listed on both National Stock Exchange of India Limited and BSE Limited w.e.f. October 26, 2023.

Name of Stock Exchange	Address	Scrip Code
National Stock Exchange of India Limited (NSE)	"Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	IRMENERGY
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	544004

The Company has paid the Annual Listing Fees for the financial year 2024-25 to the respective Stock Exchanges.

## F. Market Price Data:

The market price data of the Equity Shares of the Company for the period from October 26, 2023 to March 31, 2024:

Months	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October, 2023	495.95	450.00	496.00	450.05
November, 2023	478.30	435.05	478.00	435.20
December, 2023	564.30	451.00	564.30	451.30
January, 2024	573.75	500.00	573.80	500.00
February, 2024	615.00	512.50	614.40	513.35
March, 2024	573.00	439.70	571.35	440.00

Note:

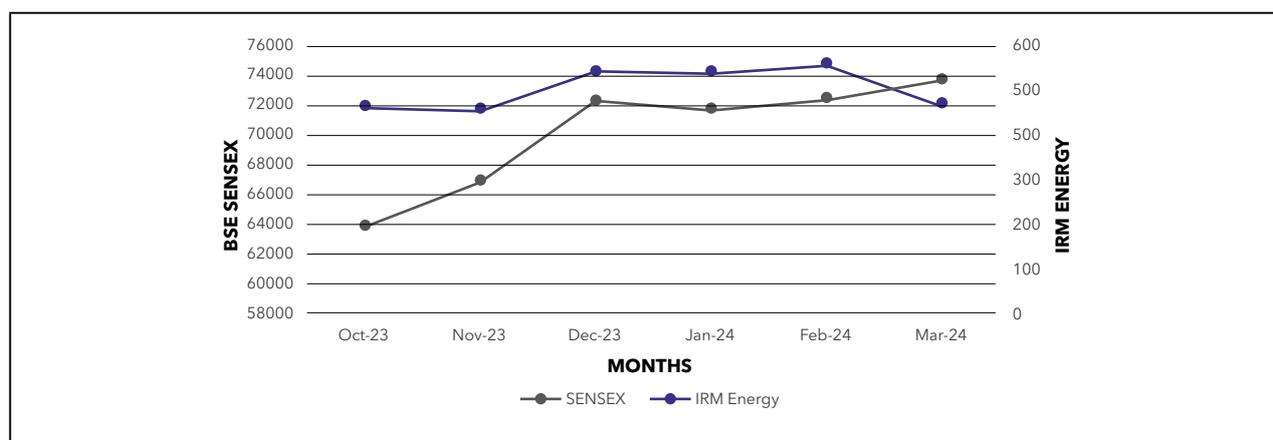
- Since, the shares of the Company got listed on BSE and NSE on October 26, 2023 pursuant to the IPO, the data is available from the month of October and onwards.
- This information is compiled from the data available from the websites of BSE and NSE.

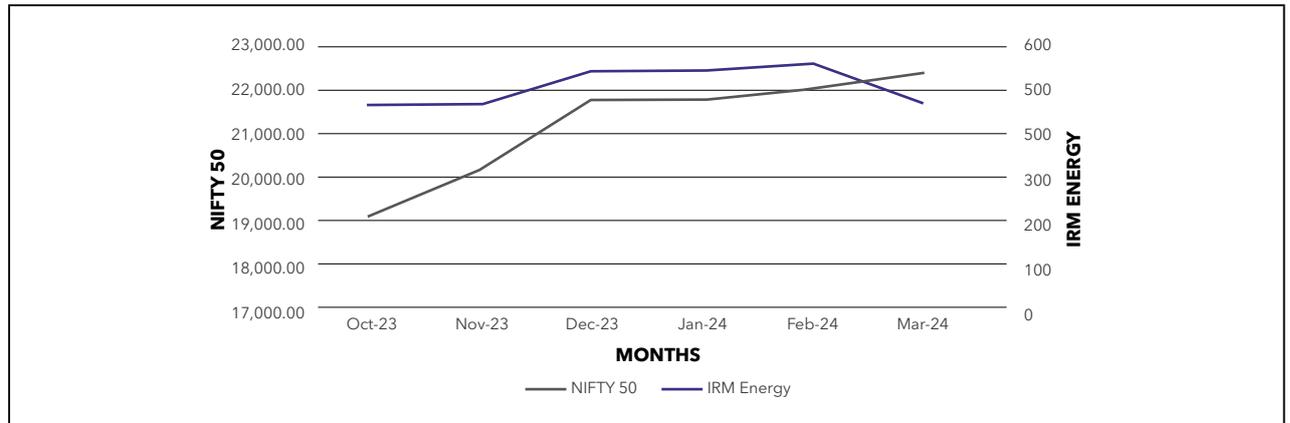
## G. Performance in comparison to broad-based indices such as BSE Sensex and NIFTY 50:

The performance comparison of the closing share prices of the Company with the broad-based indices such as BSE Sensex and NSE Nifty for the financial year 2023-24 are as follows:

### Graph 1:

#### Share Performance of the Company vis-à-vis to BSE Sensex



**Graph 2:****Share Performance of the Company vis-à-vis to NIFTY 50****H. Registrar to an Issue and Share Transfer Agents****M/s. Link Intime India Private Limited**

C-101, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai - 400083  
Tel: +91 22 4918 6000

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**I. Share Transfer System**

All transfer, transmission or transposition of securities are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processes the service

request for issue of duplicate securities certificates, renewal/ exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of folios, transmission and transposition.

During the year under review, the Company obtained following certificate(s) from a Practising Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the Listing Regulations for the period from October 26, 2023 to March 31, 2024 with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

**J. Distribution of Shareholding**

Distribution of equity shareholding as on March 31, 2024:

Category	No. of Shareholders	% of total shareholders	Shares	% of total Share Capital
1 - 500	59462	98.4943	2567060	6.252
501 - 1000	453	0.7504	361621	0.8807
1001 - 2000	245	0.4058	372384	0.9069
2001 - 3000	70	0.1159	183418	0.4467
3001 - 4000	27	0.0447	101230	0.2465
4001 - 5000	26	0.0431	124939	0.3043
5001 - 10000	33	0.0547	241595	0.5884
10001 & above	55	0.0911	37107430	90.3744
<b>TOTAL</b>	<b>60371</b>	<b>100.0000</b>	<b>41059677</b>	<b>100.0000</b>

### K. Dematerialization of Shares and Liquidity

As on March 31, 2024, 100% of the total equity share capital of the Company was held in dematerialized form with NSDL and CDSL under International Securities Identification Number (ISIN) - INE07U701015.

Further, all preference shares of the Company are held in dematerialized form.

### L. Outstanding GDR/ADR/ warrants/ any convertible instruments

The Company has not issued any GDR/ADR/Warrants or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDR/ADR/Warrants or any convertible instruments.

### M. Commodity Price Risk/ Foreign Exchange Risk and Hedging

We are indirectly exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD as the purchase prices of gas are typically designated in USD. The Company has in place a robust risk management framework for identification and monitoring and mitigation of foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework.

### N. Plant Location

1. City Gas Station and Mother Station:
  - a. Survey No. 527, Jagana Village, Palanpur Taluka, Banaskantha District, Gujarat- 385001
  - b. Plot A-8, Focal Point Mandi Gobindgarh, Amloh Tehsil, Fatehgarh Sahib District, Punjab- 147301
  - c. Survey No. 254/P2/P2, Judvadali Village, Una Taluka, Gir Somnath District, Gujarat- 362560
  - d. Survey no. 263/4, 6B, Vengur Village, Thiruverumbur Taluk, Trichy, TamilNadu-620013
2. LCNG Station
  - a. Survey No- 560/p, Veraval-Talala Cross roads, Veraval Bypass, Veraval, Gir-Somnath District, Gujarat -362265
  - b. Survey no. 42/2B1, 42/2B2, 42/2B3, NH-7 Salem- Namakkal bypass, Kurukkapuram Village, Rasipuram Taluk, Namakkal - 637401

### O. Address for correspondence

Mr. Harshal Anjaria  
 Chief Financial Officer (CFO)  
 IRM Energy Limited  
 4th Floor, Block 8, Magnet Corporate Park,  
 Nr. Sola Bridge, S. G. Highway,  
 Ahmedabad 380054 Gujarat  
 Tel: +91 7949031500  
 E-mail: [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com)

### P. Credit Rating

Rating Agency	Type of Facility	Rating
CRISIL Ratings Limited	Term Loan	CRISIL AA-/ Stable
	Fund based facilities	CRISIL A1+
	Non- Fund based limit	CRISIL A1+
India Ratings and Research Private Limited	Term Loan	IND AA- /Stable
	Fund based working capital limits	IND AA-/ Stable/ IND A1+
	Non- Fund based working capital limits	IND AA-/ Stable/ IND A1+

**Note:** The aforesaid details are as on date of this report.

### OTHER DISCLOSURES

#### a. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

There was no materially significant transaction with the related parties during the financial year that may have potential conflict with the interests of the Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board of Directors of the Company has approved the Policy on materiality and dealing with Related Party Transactions on September 24, 2022, and the same is available on the website of the Company at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-on-RPT.pdf>.

#### b. Details of non-compliance by the Company, penalties etc. regarding matters related to capital markets, during the last three years

The Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India, statutory authority during the last 3 years relating to the capital markets, since the Company got listed on October 26, 2023. No penalties or strictures have been imposed by them on the Company during FY24.

#### c. Details of establishment of Vigil Mechanism/ Whistle-Blower Policy of the Company

The Company has adopted a Whistle Blower Policy and has established a necessary Vigil Mechanism for Directors and employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company - <https://www.irmenergy.com/>.

#### d. Adoption of Mandatory and Non-Mandatory Requirements

The Company has complied with all applicable mandatory requirements of SEBI Listing Regulations, to the extent applicable.

The Company has complied with following discretionary requirements under regulation 27(1) of the Listing Regulations:

- i. As on March 31, 2024, the Board of the Company is chaired by a Non-Executive Director who maintains the Chairman's office and allowed reimbursement of expenses incurred in performance of his duties.
- ii. During the year under review, the Independent Auditors have issued an unmodified opinion on the true and fair view of the Company's financial statements.
- iii. The Internal Auditor functionally reports directly to the Audit Committee.

**e. Policy for determining Material Subsidiary and details of material subsidiaries**

The Company has adopted a 'Policy for determining Material Subsidiary', which has been uploaded on the Company's website and can be accessed at <https://www.irmenergy.com/wp-content/uploads/2022/12/Policy-for-Material-Subsidiary.pdf>

During the FY 2023-24, the Company did not have any material subsidiary Company in terms of SEBI Listing Regulations.

**f. Disclosure on Commodity Price Risks and Commodity Hedging Activities**

The Company faces exposure to commodity risk primarily due to volatility in natural gas prices. To mitigate this risk, the Company utilizes administered pricing established by the PPAC cell of the Petroleum and Natural Gas Regulatory Board, which stabilizes prices for a six-month period. Additionally, the company manages risk through a strategy of balanced procurement, utilizing both administered and spot purchase rates. Furthermore, fluctuations in natural gas prices are managed by the Company's ability to pass these variations on to customers.

The Company also invests its temporary surplus funds in a diversified portfolio of mutual funds and fixed deposits. To mitigate price risk associated with these investments, the Company adheres to risk management policies that dictate portfolio diversification within defined limits

**g. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

The Company has not raised any funds through preferential allotment or qualified institutions placement, hence, this requirement is not applicable on the Company.

**h. Certificate for non-disqualification of Board of Directors**

M/s. M. C. Gupta & Co., Company Secretaries, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the directors on the board of the Company have been debarred or disqualified by the

Board/MCA or any such statutory authority from being appointed or are continuing as directors of companies. The certificate regarding the aforesaid compliance is annexed in this Annual report.

**i. Disclosure on non-acceptance of any recommendation of any Committee by the Board which is mandatorily required**

During the year under review, the Board has accepted all the recommendations made by various committees of the board, which is mandatorily required.

**j. Total fees paid by the Company and its subsidiaries to the statutory auditor and all entities in the network firm:**

Total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the statutory auditor - M/s Mukesh M. Shah & Co., Chartered Accountants, and all the entities in the network firm/network entity of which Statutory Auditor is a part is as under:

(Amount in ₹ Lakhs)

Payment of Statutory Audit fees to Statutory Auditor	FY 2023-24
IRM Energy Limited	*14.16
SKI-Clean Energy Private Limited (Subsidiary)	0.25
Venuka Polymers Private Limited (Associates)	1.50
Ni Hon Cylinders Private Limited (Joint Control)	0.25

\* Including taxes

**k. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The disclosure regarding the complaints of sexual harassment is given in the Director's Report forming part of this Annual Report.

**l. Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested**

The details of loans and advances in the nature of loans to firms/companies in which Directors are interested, forms part of notes to the financial statements.

**m. Code of Conduct for Prevention of Insider Trading:**

The Board has adopted a code for the Prevention of Insider Trading in the securities of the Company. The Code inter alia requires pre-clearance from Designated Persons for dealing in the securities of the Company as per the criteria specified therein and prohibits the purchase or sale of securities of the Company by Designated Persons while in possession of Unpublished Price Sensitive Information in relation to the Company besides during the period when the trading window is closed. This code has been displayed on the Company's website at <https://www.irmenergy.com/wp-content/uploads/2022/12/IRM-Energy-Insider-Trading-Code-1.pdf>

## **NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on October 26, 2023. The Company has endeavoured to comply with all requirements of Corporate Governance Report and there has been no instance of any non-compliance thereof.

## **DETAIL OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSE (B) TO (I) OF REGULATION 46(2) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company has complied with the applicable corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the FY 2023-24.

## **CODE OF CONDUCT**

The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Chief Executive Officer affirming the compliance with the Code of Conduct by the Board Members and Senior Management Personnel of the Company is appended as an annexure to this report.

## **CEO/ CFO CERTIFICATION**

In compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Chief Executive Officer and Chief Financial

Officer of the Company to the Board of Directors as specified in Part B of Schedule II of the said regulations is appended as an annexure to this report.

## **COMPLIANCE CERTIFICATE FOR COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

A Certificate from M/s. M. C. Gupta & Co., Company Secretaries, regarding compliance of conditions of corporate governance is annexed with the Corporate Governance Report and forms an integral part of this Annual Report

## **DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable for the FY 2023-24.

## **DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING ON THE LISTED ENTITIES**

In terms of Regulation 30A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, there are no such agreements were entered post the listing of the equity shares of the Company.

Further, the details of the agreements were executed before listing of equity shares of the Company in FY 2023-24, which falls under clause 5A of para A of Part A of Schedule III of SEBI Listing Regulations were disclosed in the Prospectus of the Company.

## DECLARATION OF COMPLIANCE OF THE CODE OF CONDUCT

[In terms of Schedule V to the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Karan Kaushal, Chief Executive Officer of IRM Energy Limited hereby declare that as of March 31, 2024, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel laid down by the Company.

**Karan Kaushal**  
CEO

**Place:** Ahmedabad

**Date:** June 26, 2024

## CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,

The Board of Directors  
**IRM Energy Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the quarter and year ended March 31, 2024, and to the best of our knowledge and belief, we hereby state that:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Karan Kaushal**  
CEO

**Harshal Anjaria**  
CFO

**Place:** Ahmedabad

**Date:** 20-05-2024

# Management Discussion and Analysis

## Global Economic Perspective<sup>1</sup>

The global economy expanded by 3.2% in the year 2023, demonstrating remarkable resilience in the face of several economic adversities, like geopolitical challenges and fluctuations in commodity prices. This has led to inflationary pressures across both advanced and emerging markets.

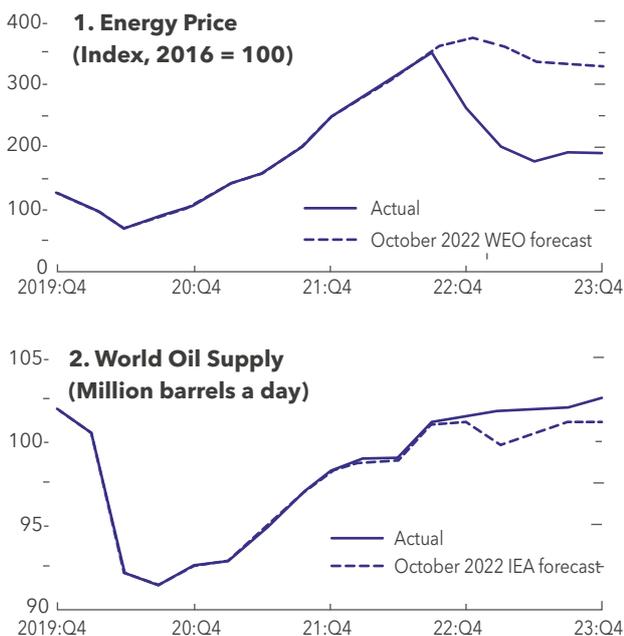
In order to fight these headwinds, central banks of several economies employed strategies. They implemented interest rate increases, suppressing the escalation. Despite persistent geopolitical tensions, disrupting global supply chains and trade, inflation rates declined more swiftly than anticipated from their peak in 2022, resulting in gradual economic recovery and job creation in the US, Europe and other emerging markets.

The Chinese economy continued to experience strain throughout 2023, a trend expected to persist even in 2024, given its significant manufacturing capabilities and supply chain influence, posing a potential risk to global economic stability. Owing to the rising foreign institution investor interest, several emerging economies like India, Vietnam and Mexico are expected to show a positive growth trajectory.

### Outlook

The prices of coal and natural gas will continue to decline from their previous peaks in CY 2024, by 25.1% and 32.6%, respectively. The gas market is predicted to become more balanced due to increased supply, decreased demand, and high storage levels.

**Figure 1.5. Global Energy Price and Oil Supply**



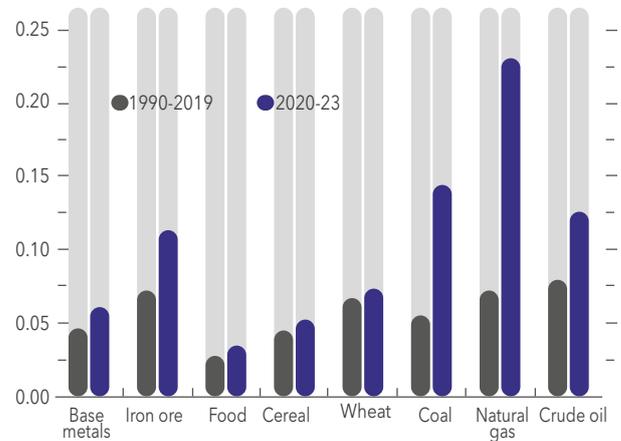
<sup>1</sup>World economic outlook April 2024 chapter 1

<sup>2</sup>[https://www.rbi.org.in/Scripts/BS\\_ViewBulletin.aspx?Id=22322](https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx?Id=22322)

<sup>2</sup>[https://www.eaindustry.nic.in/eight\\_core\\_infra/eight\\_infra.pdf](https://www.eaindustry.nic.in/eight_core_infra/eight_infra.pdf)

**Figure 1.SF.2. Volatility of Commodity Prices**

(Standard deviation of log differences)



Sources: IMF Primary Commodity Price System; and IMF staff calculations.

Note: Volatility is the standard deviation of log differences in monthly prices over the respective periods. Base metals, food, cereal, coal, and natural gas are price indices. The crude oil price refers to the IMF average petroleum spot price.

## Indian Economic Overview<sup>2</sup>

India is the third largest economy in the world after US and China in terms of purchasing power parity. It ranked fifth in terms of market exchange rates. According to high frequency indicators, the Indian economy is maintaining the same momentum it had in the first half of the year even in the face of many upgrades for 2023-24 and 2024-25 by multilateral agencies.

Companies in the oil and gas industry made up the largest portion of the profit gain overall, aided by higher marketing margins.

The announcements made in the Interim Union Budget 2024-25 align with the goal of "Viksit Bharat," which is to create a prosperous nation that is in harmony with the environment, has access to modern infrastructure, and offers chances for all of its residents and regions to realise their full potential. The capital expenditure push, particularly on roads and railroads, has persisted in order to maintain the economic growth pace.

### Outlook

'The Viksit Bharat' initiative by the Government is poised to improve the quality of infrastructure in the country, enhance the productivity and competitiveness of the Indian economy. It is also expected to catalyse private investment and job creation.

India's growth is expected to continue to be robust, with projections of 6.8% in 2024 (FY25) and 6.5% in 2025 (FY26).

This robustness is due to both expanding working-age population and persistently strong domestic demand.

### Industry Overview

The manufacturing sector rebounded with a growth of 6.5 % as compared to 1.3 % in 2022-23, supported by higher profit margins of corporates as input cost pressures tapered. Mining and quarrying activity grew robustly due to higher production of coal and natural gas. Electricity, gas, water supply and other utility services registered 8.3 % growth in 2023-24 (9.0 % in 2022-23).



**Natural Gas production (weight- 6.88 %) increased by 11.3 % in the CY 2023. Its cumulative index increased by 6.0 % during April to February 2023-24 over the corresponding period of the previous year.**



Annex 1

### Embargo advisory

**This press release is embargoed against publication telecast or circulation in any medium till 5:00 PM today i.e. 28th March 2024**

### Performance of Eight Core Industries

#### Yearly index and growth rate

base year :2011-12=100

Sector	Coal	Crude oil	natural gas	Refinery products	fertilizers	steel	cement	electricity	overall index
weight	10.33	8.98	6.88	28.04	2.63	17.92	5.37	19.085	100
2012-13	103.2	99.4	85.6	107.2	96.7	107.9	107.5	104	103.8
2013-14	104.2	99.2	74.5	108.6	98.1	115.8	111.5	110.3	106.5
2014-15	112.6	98.4	70.5	108.8	99.4	121.7	118.1	126.6	111.7
2015-16	118	97	67.2	114.1	106.4	120.2	123.5	133.8	115.1
2016-17	121.8	94.5	66.5	119.7	106.6	133.1	122	141.6	120.5
2017-18	124.9	93.7	68.4	125.2	106.6	140.5	129.7	149.2	125.7
2018-19	134.1	89.8	69	129.1	107	147.7	147	156.9	131.2
2019-20	133.6	84.5	65.1	129.4	109.8	152.6	145.7	158.4	131.6
2020-21	131.1	80.1	59.8	114.9	111.6	139.4	130	157.6	123.2
2021-22	142.3	77.9	71.3	125.1	112.4	163	156.9	170.1	136.1
2022-23	163.5	76.6	72.4	131.2	125.1	178.1	170.6	185.2	146.7
apr-feb 22-23	156.9	76.5	72.2	129.9	125.8	175.7	168.1	185	145
apr-feb 23-24	176	76.9	76.6	134.8	131	198.3	183.3	197.6	156.2

#### Growth rates (on Y-o-Y basis in per cent)

Sector	Coal	Crude oil	natural gas	Refinery products	fertilizers	steel	cement	electricity	overall index
weight	10.33	8.98	6.88	28.04	2.63	17.92	5.37	19.85	100
2012-13	3.2	-0.6	-14.4	7.2	-3.3	7.9	7.5	4	3.8
2013-14	1	-0.2	-12.9	1.4	1.5	7.3	3.7	6.1	2.6
2014-15	8	-0.9	-5.3	0.2	1.3	5.1	5.9	14.8	4.9
2015-16	4.8	-1.4	-4.7	4.9	7	-1.3	4.6	5.7	3
2016-17	3.2	-2.5	-1	4.9	0.2	10.7	-1.2	5.8	4.8
2017-18	2.6	-0.9	2.9	4.6	0.03	5.6	6.3	5.3	4.3
2018-19	7.4	-4.1	0.8	3.1	0.3	5.1	13.3	5.2	4.4
2019-20	-0.4	-5.9	-5.6	0.2	2.7	3.4	-0.9	0.9	0.4
2020-21	-1.9	-5.2	-8.2	-11.2	1.7	-8.7	-10.8	-0.5	-6.4
2021-22	8.5	-2.6	19.2	8.9	0.7	16.9	20.8	8	10.4
2022-23	14.8	-1.7	1.6	4.8	11.3	9.3	8.7	8.9	7.8
apr-feb 22-23	15.3	-1.6	1.5	5.2	11.5	9	9.8	10	8.2
apr-feb 23-24*	12.1	0.5	6	3.8	4.1	12.9	9.1	6.8	7.7

\*Provisional

Y-o-Y is calculated over the corresponding financial year of previous year

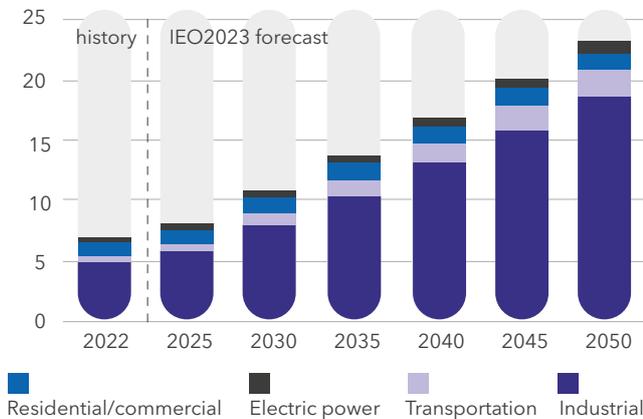
### Outlook<sup>3</sup>

India's natural gas consumption is expected to triple by 2050. Over that time, natural gas consumption is expected to expand at a predicted pace of 4.4% annually. It is more than twice the annual growth rate of China, the next-fastest-growing nation, at 2.0%.

The bulk of the expansion in natural gas consumption is expected to come from India's industrial sector, particularly from the country's rising ammonia output, which aims to reduce imports of fertiliser. In order to meet this growing demand, India's domestic natural gas supply and imports will require to increase more significantly than in previous years to meet this growing demand.

### Annual natural gas consumption in India by sector (2022-2050)

billion cubic feet per day



### Indian Natural gas industry<sup>4</sup>

The Petroleum and Natural Gas Regulatory Board (PNGRB) has approved a network of about 33,592 km natural gas pipelines across the nation in an effort to establish a National Gas Grid (One Nation, One Gas Grid). It has also improved the natural gas supply nationwide.

Among these, 12,206 km of pipelines are in various stages of development, making up 23,173 km of operational natural gas pipelines. These include spur lines, tie-in connectivity, Sub-Transmission pipelines (STPL) and dedicated pipelines.

The fertiliser industry consumed the large amount of natural gas in 2022-2023 (33%), followed by the power sector (13.9%), refineries (6.7%) and city and local natural gas distribution networks (including road transport) (20.5%).



Natural Gas production during the year 2022- 23 stood at 34.45 Billion Cubic Meters (BCM) which is 1.5% higher than production of 34.02 BCM in 2021-22.



### Government initiatives

The Government has a target to raise the share of natural gas in energy mix to 15% in 2030.

Several steps taken by the Government to meet this target include

- Expansion of the National Gas Grid Pipeline
- Expansion of City Gas Distribution (CGD) network
- Setting up of Liquefied Natural Gas (LNG) Terminals
- Revision in the domestic natural gas pricing (APM price) to link it to the Indian Crude Basket, enabling substantial reduction in price to the end customer
- Allocation of domestic gas to Compressed Natural Gas (Transport) / Piped Natural Gas (Domestic) CNG(T)/ PNG(D) in no cut category
- Allowing marketing and pricing freedom with a ceiling price to gas produced from high-pressure/high-temperature areas
- Deep water and ultra-deepwater and from coal seams
- Sustainable Alternative Towards Affordable Transportation (SATAT) initiatives to promote Bio-CNG, etc.

<sup>3</sup><https://www.eia.gov/todayinenergy/detail.php?id=61423>

<sup>4</sup><https://mopng.gov.in/files/TableManagements/IPNG-Annual-Report-2022-23-web.pdf>

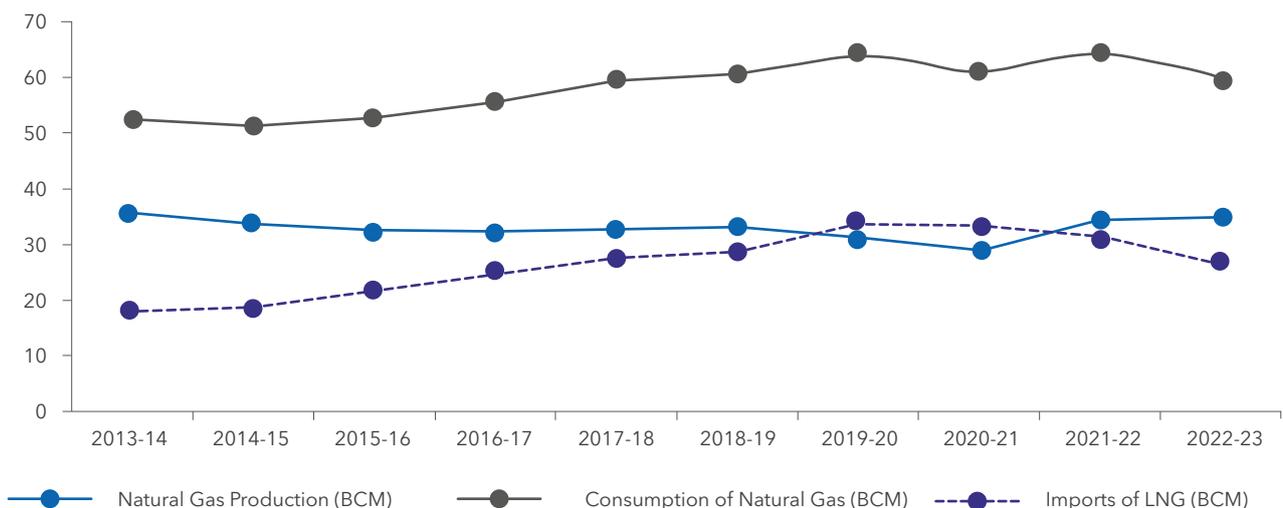
## I.2: Trends of Natural Gas Production , Consumption and imports

year	Natural gas production (BCM)	%growth in natural gas production	consumption of natural gas (bcm)	%growth in consumption of natural gas	imports of LNG(BCM)	%growth in imports of LNG
2013-14	35.41	-12.96	51.83	-9.33	17.25	-0.88
2014-15	33.66	-4.94	50.3	-2.94	17.61	2.06
2015-16	32.25	-4.18	50.18	-0.24	19.05	8.19
2016-17	31.9	-1.09	54.41	8.43	23.56	23.69
2017-18	32.65	2.3	58.47	7.45	26.73	13.46
2018-19	32.87	0.69	60.6	3.66	28.55	6.78
2019-20	31.18	-5.14	62.61	3.31	32.35	13.33
2020-21	28.67	-8.05	60.98	-2.6	33.2	2.61
2021-22	34.02	18.66	64.16	5.21	31.03	-6.54
<b>2022-23</b>	<b>34.45</b>	<b>1.25</b>	<b>59.97</b>	<b>-6.53</b>	<b>26.3</b>	<b>-15.22</b>
CAGR 2013-14 to 2022-23(%)		-0.3		1.63		4.8

Note: % Growth based on the previous Financial Year

P: Provisional

Figure 1.2: Production, consumption and imports of Natural Gas



### City Gas Distribution Sector in India<sup>5</sup>

A City Gas Distribution (CGD) network is a system of interconnected pipelines that provide natural gas to residential, commercial or industrial customers as well as CNG stations located within a designated geographic area. The development of CGD networks is contingent upon the accessibility of gas sources or trunk gas pipeline connectivity, as well as the techno-commercial viability within a GA. Piped Natural Gas (PNG) is an eco-friendly cooking fuel which is delivered right to the doorsteps of private homes via the CGD network. It also supplies CNG, a clean fuel, to the transportation industry. The quality of the air is enhanced and car emissions are reduced in metropolitan areas.

Strong emphasis has been put on the expansion of city gas distribution (CGD) networks across the country. It covers 407 districts with a potential to make gas accessible to over 70 percent of the population. The distribution networks would enable the supply of cleaner cooking fuel (like, PNG) to households, industrial and commercial units as well as transportation fuel (like, CNG) to vehicles. There is an expected investment of Rs 120,000 crore over the next 10 years.

The city gas distribution (CGD) sector is rapidly increasing due to India's growing need for natural gas. The CGD sector's profitability has been impacted by the world's skyrocketing gas costs. In order to mitigate the effects, the government adopted

<sup>5</sup><https://mopng.gov.in/files/TableManagements/annualreport2223.pdf>

<https://web.cvent.com/event/0e1158ae-7038-40ab-bd3b-0114b9882ae3/summary>

the Kirit Parikh Committee's recommendations and approved the updated domestic natural gas pricing scheme, which imposes a ceiling and floor price for APM gas. Additionally, the PNGRB recently changed its rules to permit connected gas pipelines to have a single rate. The importance of digitalisation is growing as CGD networks spread throughout India. In order to digitalise, CGD players are putting in place centralised real-time monitoring and control systems.

Predictive maintenance, real-time condition monitoring, SCADA, GIS, queue management, logistics management systems, asset monitoring and smart metering solution installation among others are some of the key application areas.

By 2030, MoPNG projects that 17,700 CNG stations and 120 million PNG connections will be available nationwide. In addition, a pipeline measuring 12,206 km is currently being built. The industry offers a wide range of opportunities to different stakeholders.



### Government initiatives<sup>6</sup>

- 10 crore LPG connections were provided under PM Ujjwala Yojana since 2016 (as of January 8, 2024)
- Since domestic gas is cheaper than imported gas, the government has allocated domestic gas to meet the requirements of PNG and CNG segments of CGD sector and no cut category has been applied to it.
- The Ministry of Labour and Employment (MoLE) has granted Public Utility Status to the CGD projects.
- The Ministry of Defence has issued guidelines for the use of PNG in residential areas and unit lines.
- In an effort to improve India's domestic gas supply, the government plans to implement tax breaks for City Gas Distribution (CGD) organisations that interface with Compressed Biogas (CBG) facilities.
- Ministry of Housing and Urban Affairs has advised The State Board regarding changes to the applicable building code that would enable the provision of gas pipeline infrastructure in residential and commercial buildings during the architectural design stage.
- MOHUA advised NBCC and CPWD to implement PNG provisions in all government housing complexes.

### Company Overview

IRM Energy Limited was established as a Private Limited company under the Company's Act on December 1 2015. Later the Company converted into a public limited company changing its name to IRM Energy Limited.

An integrated value-driven energy company, IRM ENERGY LIMITED (a group company of Cadila Pharmaceuticals Ltd.) is creating natural gas distribution network for commercial, residential, industrial and automotive clients throughout the authorised districts. The business is dedicated in helping its customers meet their energy needs.

Having developed strong city gas distribution networks and connected various customer segments in the existing Geographical Areas (GAs) of Banaskantha District in Gujarat, Fatehgarh Sahib in Punjab and Diu and Gir-Somnath in the Union Territory of Daman and Diu and the state of Gujarat, IRM Energy Limited (IRMEL) is a leading City Gas Distribution (CGD) company.

In its operational geographical areas, IRM Energy provides natural gas to 66,228 residential consumers, 195 industrial customers and 340 commercial customers as of March 31, 2024. Additionally, the Company has built a network of 82 CNG retail outlets with 314 dispensing points in different parts of its geographical areas.

The Petroleum and Natural Gas Regulatory Board (PNGRB) also granted IRM Energy Limited the sole right to develop the CGD infrastructure and provide natural gas in the Tamil Nadu districts of Tiruchirappalli and Namakkal in the eleventh bidding round. The Company holds the authorisation to provide PNG (Piped Natural Gas) to industrial, commercial and residential customers, as well as CNG (Compressed Natural Gas) as an alternative fuel for cars.

IRMEL is dedicated to maintaining the highest levels of safety and providing exceptional customer service, as well as reaching out to every potential natural gas user in its authorised GAs.

<sup>6</sup><https://energy.economictimes.indiatimes.com/news/oil-and-gas/govt-to-roll-out-fiscal-incentives-for-cgd-cbg-integration-to-boost-domestic-gas-supply/107835914>

[https://dea.gov.in/sites/default/files/The%20Indian%20Economy-A%20Review\\_Jan%202024.pdf](https://dea.gov.in/sites/default/files/The%20Indian%20Economy-A%20Review_Jan%202024.pdf)

### Financial performance

Gross turnover for the FY '23: 10,391.35 million and for the FY '24: 9,565.40 million

Consolidated Profit after tax for FY'23: 631.36 million and for the FY'24: 856.63 million

Consolidated Earnings per share of the Company for the FY'23: 21.18) and for the FY'24: 24.47

Consolidated Net worth of the Company for FY'23: 3,464.20 million and for the FY'24: 9,317.61 million

### Ratio Analysis<sup>7</sup>

#### Consolidated

Particulars	For the FY 2023-24	For the FY 2022-23
Asset turnover ratio	0.92	1.49
Current ratio	3.63	2.21
Debt to equity	0.25	0.93
Interest coverage	5.36	5.19
Gross profit margin%	27.40	20.44
Operating margin %	16.06	12.13
Net profit margin %	9.62	6.44
Return on net worth %	9.19	18.23
ROCE%	12.85	14.08
Return on Asset%	11.28	12.27



### Strengths of the Company

#### Technological advancement

These technological advancements have not only improved operational efficiency and safety but have also enabled better asset management, cost reduction, and enhanced customer service.

With the growing number of assets, pipeline networks, and an expanding customer base, our operational processes have become increasingly complex. This complexity necessitates a unified digital platform that can integrate all existing digital and automated solutions, further leveraged with advanced data analytics for informed decision-making.

An effective and sustainable operations management system is essential for the safe and uninterrupted supply of gas to consumers and the integrity of gas assets. Since the inception of gas supply, IRMEL has focused on developing a robust operations management system throughout the organization. The company is committed to embracing digitalization and automated technology in a sustainable and cost-effective manner. The IRMEL team has successfully achieved several milestones in digitalization and automation. Notable projects include:

- PNGnet Software for Domestic Consumer Lifecycle Management:** This comprehensive software covers customer enrolment, payment processing, customer commissioning, bill generation, bill payment, customer service management, and management information systems (MIS).
- Digital Payment Solutions for Bill Payment:** By integrating platforms such as BillDesk, Bharat BillPay, WhatsApp payment, and dynamic QR codes with PNGnet, IRMEL has significantly reduced cash handling at customer care centres. These integrations offer customers multiple convenient payment options, thereby minimizing the inconvenience of long queues for bill payment.
- Geographical Information System (GIS) for Digitalization of Gas Pipeline Network and Assets:** Implementing GIS across all geographical areas (GAs) has brought the gas infrastructure (including pipelines and other assets) onto a digital platform. This digitalization enables the visualization of assets, retrieval of related information for analysis, and supports informed decision-making.
- Automated Reading of CGS, DRS, Industrial and Commercial Customers:** Automated reading systems have enhanced the monitoring of critical parameters and gas consumption. This technology reduces the need for human intervention in data collection, compilation, storage and management, thereby facilitating better resource utilization.
- Digitalization of Workflow:** With the implementation of GIS and Automated Meter Reading (AMR), many critical operations and maintenance processes have been digitalized. This digitalization has improved information flow and operations management. Key processes that have been digitalized include incident and third-party activity reporting, gas sales and purchase reporting, preventive, corrective, breakdown, and condition-based maintenance, and industrial and commercial joint metering and billing.
- CNG fill post automation:** IRMEL has been exploring automation in fill post data fetching while filling mobile cascades. In conventional method, manpower is must to note down the initial and final reading of pressure and mass flow meter along with the data of HCV. RFID (Radio Frequency Identification) technology-based fill post automation reduces the manpower intervention to record the necessary data which reduces the time to generate log sheets.
- Digitalization in CNG Operation:** IRMEL took a leap in Digitalization world with implementation of digital platform to manage CNG operations starting with Banaskantha GA. This digital solution encompasses digitalization of forecourt operation, statutory compliance, Asset management, dashboard reporting, and centralized documents management which shall enhance CNG operation efficiency, centralized data access with consistency and compliance monitoring.

<sup>7</sup><https://www.moneycontrol.com/india/stockpricequote/miscellaneous/irmenergy/IEL02>

- **SCADA Alarm module modification:** After completion of Alarm module modification in SCADA, engineers shall be able to download and access alarm history with desired date and time which can help understating root cause of breakdown and behavior of CNG compressors.

IRMEL's commitment to continuous improvement and innovation ensures the delivery of safe, reliable, and efficient gas supply to its consumers.

### Focus on sustainability

Company strongly believes that sustainability is the strategic approach for doing business and creating long-term value for all the stakeholders of the company. In every aspect of its business, while contributing to the energy need of the consumers, company is also committed to building on India's clean energy mix, safeguarding the planet by cutting down emissions, and enabling people to live clean and breathe easily.

### Customer focused development

Customer-focused development revolves around understanding and prioritizing customer needs, leveraging technology to enhance service delivery and maintaining a commitment to safety and reliability. This approach not only boosts customer satisfaction but also drives operational efficiency and sustainability.

With customer centricity in its core, IRMEL is always striving to enhance the experience of its customers to their expectations and beyond. Company is also leveraging various digital initiatives which helps in efficient operations as well. In each customer segment, company is also creating continuous awareness among its customers about the safe and efficient usage of natural gas through various campaigns at society and individual level. To make the switch to natural gas economic and convenient for customers, company has introduced various attractive registration plans and promotional schemes in all segments. The following customer-focused initiatives have been implemented to elevate customer satisfaction:

- **Personalized Customer Support:** IRMEL has established customer care centers in all operational areas, each with dedicated teams to handle inquiries, complaints, and service requests promptly and efficiently. A centralized call center with a 24/7 toll-free number offers multiple channels for customer support, including hotlines and mobile apps, ensuring accessibility and convenience.
- **Proactive Communication:** IRMEL keeps customers informed about service schedules, maintenance activities, and any supply disruptions through SMS, emails, and notifications. This transparency builds trust and helps customers plan accordingly.
- **Transparent Billing:** IRMEL provides clear and detailed bills that help customers understand their consumption patterns and charges. With the help of initiatives like spot billing, self-billing, online portal etc. company displays transparency and efficiency and helps customers to view their billing history and usage statistics.
- **Flexible Payment Options:** IRMEL has implemented various digital payment solutions, such as UPI based payment, online banking, and dynamic QR codes. This flexibility reduces the need for physical cash transactions and long queues at payment centres.
- **Automated Meter Reading (AMR):** IRMEL has deployed an automated metering system for commercial and industrial customers that automatically sends usage data to a centralized system, providing access to daily and hourly consumption patterns. This technology eliminates manual meter readings, reduces errors, and ensures accurate billing.
- **Regular Maintenance and Inspection:** IRMEL uses a GIS-integrated mobile application for the maintenance and inspection of customer installations, ensuring that the gas distribution infrastructure is regularly inspected and maintained to prevent leaks and ensure a continuous supply.
- **Emergency Response:** IRMEL has established a robust emergency response system that customers can rely on in case of gas leaks or other emergencies. Call center representatives are trained to handle emergency calls effectively and dispatch assistance promptly.
- **Customer Portals and Apps:** IRMEL has developed user-friendly digital platforms where customers can manage their accounts, view usage statistics, pay bills, and contact customer service. Mobile applications offer the convenience of accessing these services on the go.

### Strategic Partnerships

Shizuoka Gas Co. Ltd (ShizGas), the fourth largest gas company in Japan and with vast experience in the CGD sector, has formed a strategic business alliance with IRM Energy. ShizGas infused equity into IRMEL in March 2022. IRMEL aims to capitalise on synergetic business opportunities the partnership provides. The company is evaluating opportunities with ShizGas to import and wholesale R-LNG to India through bilateral contracts on a gas exchange platform. This will not only help the company source R-LNG at competitive price, but also open new growth opportunities to tap the natural gas market in India. ShizGas will also bring its expertise in industrial burner technology, increasing benefits for IRMEL's industrial customers. Leveraging the technical knowhow of ShizGas in system engineering and application, IRMEL intends to offer solutions to industrial customers, especially in the new GA of Namakkal and Tiruchirappalli, for seamless transition from other fuels to natural gas. This will help the company optimise the consumption of natural gas.

### Future focused

Considering the criticality of cost of natural gas in its business, The company has forged active collaborations with various leading natural gas suppliers like GAIL, IOCL, RIL-BP and also is working closely with India Gas Exchange for best possible price discovery of natural gas on timely basis. The company considers its vendors as business partners and nurtures healthy business relationship for timely delivery of critical equipments/products for speedy project implementation.



## Opportunities

Generally city gas distribution (CGD) companies are optimistic about long-term growth prospects. Given the strong operating cash flow, balance sheets are capable of handling investments through low or zero leverage. Several positive factors are driving the CGD business at the moment.

- One such factor is the revision in the domestic natural gas pricing (APM price) by the government to link it to the Indian Crude Basket and setting a ceiling to the price which has reduced the volatility. There is no real alternative to cooking gas for most households and gas is an attractive alternative to petrol and diesel for transport given that the government and many car manufacturer have decided to gradually phase out petrol and diesel vehicles.
- The company is looking at consolidation by merger and acquisition of distressed players. There is a focus on incentives and promotions to drive light commercial vehicle (LCV) conversion and OEM sales of natural gas vehicles. Higher number of gas-driven LCVs would result in a jump in volumes and that's a big opportunity. The company also see investments into LNG fuelling stations, which would add to the convenience for trucks, apart from the cost-cum-environmental benefits of switching to LNG.
- The government is looking to push up the share of natural gas to around 15 per cent in the energy mix from the current 6 per cent. Import facilities (terminals, evacuation infrastructure) for LNG are also being developed.
- The company is also looking to add 40-60 CNG stations per year, accompanied by pipeline connectivity. PNG expansion is also on the cards.
- Projected growth in the number of vehicles equipped with compressed natural gas (CNG) due to CNG's cost-effectiveness as a fuel over other fuels;
- Presence of industrial clusters in Mandi Gobindgarh (Fatehgarh Sahib) and Namakkal and Tiruchirappalli (Tamil Nadu), the Company sees growth potential in and around the GAs it operates in.
- Benefiting from significant floating demand, Banaskantha is situated on the Delhi Mumbai Industrial Corridor (DMIC).
- Diu and Gir Somnath stands to gain from the fluctuating demand, particularly from visitors to the Gir Sanctuary and the Somnath Temple.
- Due to the National Green Tribunal's (NGT) restriction on polluting fuels including furnace oil (FO) and pet coke, there will be a rise in demand for PNG in Fatehgarh Sahib. Future 130-acre pharmaceutical park will also increase demand.
- Trichy is a well-known centre for engineering goods manufacturing and transportation. The region's high LPG usage rate offers conversion opportunities.
- Namakkal being a major transport hub and number of poultry industries has a good demand potential from transport segment, especially with major highways like NH44 and NH544 passing through the district.

IRMEL aims to capitalise on synergistic business opportunities. For example, IRMEL has made a strategic business alliance with Shizuoka Gas. With extensive expertise in the CGD industry, Shiz Gas is the fourth-largest gas firm in Japan based on natural gas sales volume in 2021.

As a Japanese energy provider, IRMEL believes that Shiz Gas's business operations will benefit greatly from its expertise and ethical business standards. In accordance with its partnership with Shiz Gas, the firm plans to share expertise about LNG trailer and satellite tanks and apply best practices in the areas of natural gas distribution, system engineering, operation and maintenance, energy conservation and CO<sub>2</sub> reduction.



**Increase in Government initiatives for use of natural Gas**

**Growing energy needs**

**Infrastructure development**

**Urbanisation** 

## Threats, Risk and Concerns, and Mitigations

- Risks related to regulations: The City Gas Distribution abides by a set of rules that are supervised by the Petroleum and Natural Gas Regulatory Board (PNGRB). For a predetermined amount of time, the PNGRB had given the CGD players exclusive marketing rights in their respective regions. Competitors may try to enter the current GAs and supply gas to specific customers once such regulatory reforms are put into place.

In the current GAs, the Company has demonstrated its credibility in terms of effective supply chain, operational and stakeholder risk management. The competing companies face significant challenges, including the need to establish a natural gas distribution system before competitors can enter the Company's operational area after the exclusivity of marketing and infrastructure expires.

- Macroeconomic considerations: Supply chain interruptions and a raised price of compressed natural gas (CNG) can be observed due to a number of macroeconomic issues, including pandemics and international conflicts. The increased CNG price may thus impact the financials of the Company.
- Growing trend of electric vehicles: The government has introduced several incentive programmes, as a result of which, electric vehicles are becoming more and more popular in India. Over time, these vehicles might become a danger to vehicles that run on compressed natural gas (CNG).

The Company has signed an MoU with Mindra EV to establish EV charging infrastructure at DODO and COCO Stations for five years.

- Fire Risks: Since the Company deals with inflammable gases, fire safety is of utmost importance. It has made this a top priority and taken measures to reduce the risk.

## CSR

The Company undertakes projects that support women's empowerment, health, education, childcare, environmental protection and the adoption of renewable energy solutions. IRMEL has previously launched programmes to train young people from disadvantaged and impoverished homes in skills. In the chosen project regions, company has also launched programmes aimed at restoring, developing and enhancing natural resources for the benefit of tribal and rural populations.

## Internal Control

The Company has many committees to make sure that the internal control is managed efficiently and that there are no discrepancies in the management. The Company has established various processes and conducts audits to make sure that the internal control of the Company is strong and is audited regularly. The Company does this to make sure that the

stakeholders get reliable financial reporting for management decisions and adherence to relevant laws and rules in order to reduce the possibility of non-compliances.

## Human resource

At IRMEL the employees are trained on a regular basis to increase their operational excellence and productivity. The Company also ensures the maintenance of compliance standards on safety and quality. It has performance-linked incentives for the employees who are eligible as per the human resource policy.

The Company makes sure that its strategies align with its HR procedures and that these procedures are successfully applied across the entire enterprise. It aims to encourage, accept, uplift and fulfill each team member's unique and group potential.

IRMEL views lateral hiring as an important component of its recruitment strategy since it facilitates the identification of industry veterans who offer an alternative viewpoint on operations.

## HSE

At IRMEL it is believed to conduct a business in a way that would put "People", "Society", and "Environment" "First" simultaneously serving its' different stakeholders.

IRMEL is committed to-

- Create an environment where all staff members are dedicated to HSE and raise awareness throughout the Company.
- Aim for continuous improvement in the HSE management system by evaluating performance regularly and implementing necessary adjustments.
- Review the HSE Policy regularly to provide value.
- Make sure that the entire workforce has received compulsory and need-based HSE training.
- Ensuring that the design and implementation of products and services adhere to the applicable norms, standards, procedures, engineering practices, and legal/statutory requirements in terms of health, safety, and the environment (HSE).
- Determine any possible dangers associated with the tasks being done and take steps to reduce them to protect the workers' health and prevent injuries in the offices or at the location.
- Aim for continuous improvement in the HSE management system by evaluating performance regularly and implementing the required adjustments.

## Environment

- Because it burns cleaner than other fossil fuels, natural gas is the most environment friendly and efficient fossil fuel.
- Compared to other conventional fossil fuels, natural gas produces significantly less carbon monoxide, sulfur dioxide, dissolved solids and airborne particulates—all of which can be hazardous to the health of humans and animals.
- The Company is pursuing to reduce its' impact on the environment in all of the actions at the workplace or site by conserving resources, cutting down on waste production and avoiding contamination.
- IRMEL is constantly trying to increase its network so that consumption of traditional fuel can be replaced, resulting in less pollution.

## Cautionary statement

The Statement in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include demand-supply conditions, changes in government and international regulations, tax regimes, economic developments within and outside India and other factors such as litigation and labor relations.

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L40100GJ2015PLC085213
2	Name of the Company	IRM Energy Limited (IRMEL)
3	Year of Incorporation	2015
4	Registered Office Address	4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Ahmedabad - 380054, Gujarat
5	Corporate Address	4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Ahmedabad - 380054, Gujarat
6	Email Address	<a href="mailto:investor.relations@irmenergy.com">investor.relations@irmenergy.com</a>
7	Telephone	+91-079-49031500
8	Website	<a href="http://www.irmenergy.com">www.irmenergy.com</a>
9	Financial Year Reported	FY 2023-24
10	Name of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11	Paid-up Capital	₹ 76,05,91,090
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Harshal Anjaria, CFO Email: <a href="mailto:investor.relations@irmenergy.com">investor.relations@irmenergy.com</a> Tel. No.: +91-079-49031500
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover)

SI No	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Distribution of gaseous fuels	Sale of Piped Natural Gas (PNG) / Compressed Natural Gas (CNG) to domestic, commercial, industrial and transport sector customers.	99.52%

**17. Products/Services sold by the Company (accounting for 90% of the turnover)**

SI No	Product/Service	NIC Code	% of total Turnover contributed
1	Natural gas (Piped Natural Gas (PNG)/ Compressed Natural Gas (CNG))	3520	99.52%

**III Operations**
**18. Number of locations where plants and/or operations/offices of the Company are situated:**

Location	Number of plants	Number of offices	Total
National	92*	15	107
International	0	0	0

\*This Includes 4 nos. of City Gate Stations, 79 nos. of CNG Stations, 2 nos. of L-CNG stations and 7 Stores

**19. Markets served by the Company**
**a. Number of locations**

Location	Number
National (No. of States)	4*
International (No. of Countries)	0

\* The Company operates in the states of Gujarat, Punjab, Tamil Nadu and in the UT of Dadra Nagar Haveli and Daman and Diu.

**b. What is the contribution of exports as a percentage of the total turnover of the Company?**

Nil

**c. A brief on types of customers**

IRMEL, an authorized City Gas Distribution (CGD) Company, delivers Piped Natural Gas (PNG) to households, businesses, and industries. Additionally, The Company supply Compressed Natural Gas (CNG) as an eco-friendly fuel option for transportation.

**IV. Employees**
**20. Details as at the end of Financial Year:**
**a. Employees and workers (including differently abled):**

Sr No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	163	149	91%	14	9%
2.	Other than Permanent (E)	61	60	98%	1	2%
3.	<b>Total employees (D + E)</b>	<b>224</b>	<b>209</b>	<b>93%</b>	<b>15</b>	<b>7%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	28	28	100%	0	0
6.	<b>Total workers (F+G)</b>	<b>28</b>	<b>28</b>	<b>100%</b>	<b>0</b>	<b>0</b>

Note: The Company does not employ any differently abled workers

**21. Participation/Inclusion/Representation of Women**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1*	12.5%
Key Management Personnel	3	1	33.33%

\*Mrs. Geeta Goradia resigned from the post of Director w.e.f. January 06, 2024

**22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)**

Particulars	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22%	14%	21%	17%	23%	18%	13%	10%	12%
Permanent Workers	Not Applicable								

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. Name of holding/subsidiary/associate companies/joint ventures**

SI No	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	SKI-Clean Energy Private Limited	Subsidiary	70%	No
2	Farm Gas Private Limited	Associate	37.5%	No
3	Venuka Polymers Private Limited	Associate	33.33%	No
4	Ni Hon Cylinders Private Limited	Joint Venture	50%	No

**VI. CSR Details**

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in Rs.): 956.54 Crore

(iii) Net worth (in Rs.): 916.73 Crore

**VII. Transparency and Disclosure Compliances****25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	785	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes, upon receipt of customer complaints via any of the specified channels, the system logs them and promptly assigns them to the relevant department. The Geographical	6683	594	NIL	3635	309	Nil

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
	Area team responsible then takes appropriate actions in accordance with applicable Standard Operating Procedures, ensuring diligent follow-up until a final resolution is achieved. Once the complaint is resolved, timely notifications are sent to the customer.						
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:**

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Pipeline Integrity Management	Risk	Pipeline integrity management is crucial to prevent accidents and ensure the safe transportation of hazardous materials. Failure to manage pipelines effectively can lead to environmental disasters, loss of life, and significant financial losses. The potential for gas leaks or pipeline ruptures poses significant safety concerns to public and environmental hazards.	IRMEL implemented routine inspections, established maintenance protocol, and adopting cutting-edge monitoring technologies.	<b>Negative:</b> While it may incur immediate expenses due to maintenance and technology upgrades, it promises long-term benefits by averting severe mishaps and penalties.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Regulatory Compliance	Risk	Stringent regulations govern the IRMEL to safeguard public safety and environmental protection. Failure to comply with regulations can result in significant financial losses and legal consequences.	IRMEL maintains its legal register to monitor compliance requirements. This is achieved by keeping regulatory modifications and guaranteeing adherence through ongoing education and the implementation of revised operational procedures.	<b>Negative:</b> Although it may initially lead to compliance expenses, it ultimately results in benefits by avoid penalties and strengthen the company's reputation.
3	Energy Transition Opportunities	Opportunity	The worldwide transition towards cleaner energy sources presents an opportunity for company to diversify and innovate. Also, the energy transition presents significant opportunities to reduce environmental impact, improve sustainability performance and enhance financial performance.	Investing in renewable energy sources and exploring biogas and hydrogen blending.	<b>Positive:</b> Capturing new market segments and enhancing sustainability credentials.
4	Safety and efficiency through digitalization	Opportunity	Digitalization can significantly improve safety and efficiency by enhancing monitoring, control, and decision-making processes. It enhances operational efficiency too.	The Company has taken significant steps towards enhancing operational efficiency and safety. It has instituted an online 'Dial Before Dig' system and incident reporting software. Furthermore, the company has adopted Internet of Things (IoT) technology for real-time asset monitoring via a SCADA control room.	<b>Negative/Positive:</b> Short-term negative due to investment in technology, but long-term positive through operational cost savings and enhanced safety.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Community Engagement and Safety Awareness	Opportunity	Building community trust and raising awareness regarding gas safety can enhance the company's reputation, improve social license to operate, and reduce the risk of accident mitigate risks and cultivate positive relationships.	IRMEL is conducting regular community engagement programs and safety workshops.	<b>Positive:</b> Implications by reducing accident risks and strengthening community support.
6	Environmental Impact and Sustainability	Risk	The operations can cause significant environmental effects, including emissions and habitat disruption. Environmental degradation and sustainability issues can lead to significant financial losses, reputational damage, and legal consequences.	The Company has effectively minimized damage to PNG pipelines through strategic coordination with third-party excavation work. This approach has led to a reduction in natural gas emissions. Furthermore, the company has implemented a strategic plan for preventive maintenance. In case of emergencies, the company is equipped to promptly isolate the natural gas supply to ensure safety and minimize environmental impact.	<b>Negative /Positive:</b> Negative in the short term due to investment in cleaner technologies, but positive in the long term through reduced environmental impact and compliance with sustainability standards.
7	Employee Health and Safety	Risk	Ensuring employee health and safety is critical to maintain a productive workforce and avoid legal and reputational consequences also considering the hazardous nature of gas distribution.	IRMEL implemented comprehensive HSE training, providing protective equipment, and developing a safety culture.	<b>Negative /Positive:</b> Negative due to costs associated with training and equipment, but positive in preventing accidents and enhancing employee morale.
8	Emergency Preparedness and Response	Risk	The potential for accidents or natural disasters requires robust emergency response capabilities.	Certified ERDMP of all GA are in place and regularly updating emergency response plans, and conducting drills.	<b>Negative /Positive:</b> Negative due to the costs of developing and maintaining emergency protocols, but positive in minimizing impact and ensuring rapid response.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	<ol style="list-style-type: none"> <li>1. <a href="#">Board Diversity   P-1</a></li> <li>2. <a href="#">Code of Conduct for Board and SMP    P-1</a></li> <li>3. <a href="#">Code of Conduct for PIT</a></li> <li>4. <a href="#">Code of Fair Disclosure of UPSI</a></li> <li>5. <a href="#">CSR Policy   P-8</a></li> <li>6. <a href="#">Dividend Distribution Policy</a></li> <li>7. <a href="#">Nomination and Remuneration Policy    P-5</a></li> <li>8. <a href="#">Policy for Determination of Materiality for Disclosure    P-4, P-6</a></li> <li>9. <a href="#">Policy on Familiarisation Program</a></li> <li>10. <a href="#">Policy for Material Subsidiary    P-2</a></li> <li>11. <a href="#">Policy on RPT   P-1</a></li> <li>12. <a href="#">Policy for Vigil Mechanism    P-5</a></li> <li>13. <a href="#">Terms &amp; Conditions of Appointment of ID</a></li> <li>14. <a href="#">IT Policy    P-9</a></li> <li>15. <a href="#">Operation &amp; Maintenance Policy    P-2</a></li> </ol>								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ASME B31.8 ASME B31.8S Petroleum and Natural Gas Regulatory Board (PNGRB), T4S/IMS/ERDMP (Emergency Response and Disaster Management Plan) Regulations								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	<ul style="list-style-type: none"> <li>• In the financial year 2023-24, The Company planned to implement Automated Meter Reading (AMR) systems for all commercial customers across all GAs. This initiative aims to enhance the accuracy and timeliness of meter readings.</li> <li>• 100% employees to be trained on Health and safety in FY2024</li> </ul>								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	<ul style="list-style-type: none"> <li>• The Company has successfully implemented AMR solutions for commercial customers, significantly reducing the manual effort needed for daily gas readings and enabling data-driven decision-making by analysing industrial consumption patterns.</li> <li>• 100% employees were trained on Health and safety during the last financial year 2023-24.</li> </ul>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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**Governance, leadership and oversight**

7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

The Company is deeply committed to achieving ESG-related objectives and continues to prioritize related agenda over the near and medium term. The company's focus on ESG parameters is best reflected through values that are imbibed in all spheres of activities of the company. The company has adopted a Code of Conduct which guides interactions with all key stakeholders including employees, vendors, communities, investors, environment & society at large. Moreover, Corporate Social Responsibility is an integral part of its culture. One of the key features of its CSR projects is a focus on participatory and collaborative approach with the community.

The Company recognizes its role in driving the transition to a low carbon society. It has undertaken measures such as methane leak detection surveys and repairs to reduce emissions. The company has also initiated solarization by installing rooftop solar plants and conducted energy efficiency audits across all its offices and stations, implementing energy-saving proposals. These efforts significantly contribute to reducing GHG emissions. The company is actively developing infrastructure to provide eco-friendly fuel options to various sectors, including industrial, commercial, residential, and transportation.

Corporate governance at the company encompasses the rules, practices, processes, and policies that govern its management. The company upholds a spirit of governance that balances the interests of all stakeholders, regulators, and the government. The company's governance practices are supported by committees, both statutory and non-statutory, to which specific responsibilities are delegated, and these committees report to the Board. The company is committed to conducting beneficial and fair business practices to the labor, human capital, and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy, and fair.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Karan Kaushal, CEO
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board of Directors plays a crucial role in shaping the company's sustainability strategy. Additionally, the company has established a Risk Management Committee (RMC) responsible for identifying and assessing internal and external risks. These risks encompass financial, operational, sectoral, sustainability (including ESG-related risks), information, and cyber security domains, as determined by the Committee.

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes									Review is undertaken from time to time								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all the applicable statutory requirements									Review is undertaken from time to time								

11. Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.



P 1
P 2
P 3

P 4
P 5
P 6

P 7
P 8
P 9

No

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1:

**Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable**

#### Essential Indicators:



1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	Nil	Nil	Nil
Key Managerial Personnel	Nil	Nil	Nil
Employees other than Board of Directors and KMPs	16	Emergency Response and Firefighting training, First Aid Training, Defensive Driving Training, ERDMP	100%
Workers	137	Firefighting and Site safety (STC training), CNG & LCNG operations, Plumber Safety training, PNG operation training	100%

**2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:**

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity’s website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
	Penalty/ Fine				
	Settlement		Nil		
	Compounding fee				

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
	Imprisonment		Nil	
	Punishment			

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed**

Particulars	Details
Case Details	
Name of the regulatory/ enforcement agencies/ judicial institutions	NA

**4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has anti-corruption and anti-bribery policy. This policy outlines a series of guidelines that act in accordance with the company’s values, commitments, and ideals, and is applicable to all personnel. It is expected that all employees adhere to the laws, regulations, and professional standards that govern the company’s operations. The company enforces a strict policy against bribery and corruption. Any fraudulent activities or corruption against the company, or any assistance provided to such activities, are strictly prohibited. This policy underscores the company’s commitment to maintaining a high standard of ethics and integrity in its operations. The policy can be accessed at <https://www.irmenergy.com/investor/#governance>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2023-24	FY 2022-23
Directors	NA	NA
KMPs	NA	NA
Employees	NA	NA
Workers	NA	NA

**6. Details of complaints with regard to conflict of interest**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.**

NIL. During the Financial Year 2023-24, there were no instances of non-compliance. However, the Company maintains an ongoing discussion with regulators to address any potential lapses in compliance. In line with its commitment, the company is consistently improving its policies, processes, systems, and monitoring mechanisms

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	14	13

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	100%	100%
	b. Number of trading houses where purchases are made from	8	7
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	56%	45%
	b. Number of dealers / distributors to whom sales are made	42	38
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	26%	23%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	3%	7%
	b. Sales (Sales to related parties / Total Sales)	-	0.09%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	84%	98%
	d. Investments ( Investments in related parties / Total Investments made)	43%	17%

**Leadership Indicators- D**
**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
273	Safety & Technical training for CNG operations, Safety awareness programs for general public, Safety Awareness Program for Third party Utility agencies, Firefighting training, Emergency response and Disaster Management	100%

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same**

Yes. The Company has implemented a comprehensive Code of Conduct specifically tailored for Board of Directors and Senior Management Personnel (SMP). This code serves as a guiding compass, ensuring ethical behaviour, transparency, and accountability across all levels of leadership within the organization. It underscores the importance of integrity, respect, and responsible decision-making. The Code of Conduct can be referred at <https://www.irmenergy.com/investor/>

**PRINCIPLE 2:**
**Business should provide goods and services in a manner that is sustainable and safe**
**Essential Indicators: D**
**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively**

Segment	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R & D			Nil
Capex			

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
**b. If yes, what percentage of inputs were sourced sustainably?**

The Company is fundamentally committed to the concept of sustainable sourcing. It recognizes that sustainable procurement practices can significantly enhance the company's responsible operations. Despite the absence of a formalized sustainable procurement strategy, the company is consistently implementing measures to incorporate the principle of sustainable sourcing into its overarching procurement strategy.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

 (a) Plastics (including packaging)	IRMEL, functioning as a service provider, generates waste exclusively from its operations. This waste is systematically identified for recycling or disposal in compliance with the norms set by the Pollution Control Board.
 (b) E-waste	The Company has instituted specific processes for waste management across all its sites and locations. Hazardous waste, in particular, is managed meticulously. It is segregated, stored, and transported in line with the relevant regulatory requirements and industry best practices. This hazardous waste is disposed of responsibly through authorized vendors for recycling, as mandated by regulation.
 (c) Hazardous waste	In addition to hazardous waste, the company also generates significant amounts of non-hazardous waste. The strategic aim of the company is to minimize waste generation and divert waste from disposal by promoting reuse and recycling wherever feasible.
 (d) other waste.	

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Given the specific nature of company's products and services, the concept of Extended Producer Responsibility (EPR) does not apply to the company. This is due to the unique characteristics of the company's offerings.

**Leadership Indicators- D**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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IRMEL primarily operates as a service-oriented entity, an exhaustive Life Cycle Assessment (LCA) has not been conducted.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
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Not Applicable

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23

IRMEL operates in the natural gas distribution sector, serving domestic, commercial, industrial, and CNG consumers. The materials procured for projects—such as pipelines, fittings, and equipment—do not typically include recycled or reused components due to safety requirements and industry standards. As a result, the company does not consider any recycled or reused input materials.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	7.2	-	-	5.9	-
Other waste	-	-	-	-	-	-
Battery waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

**PRINCIPLE 3:**

Business should respect and promote the wellbeing of all employees, including those in their value chains

**Essential Indicators:**

1. A. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	149	149	100%	149	100%	-	-	149	100%	-	-
Female	14	14	100%	14	100%	14	100%	-	-	-	-
<b>+</b> <b>Total</b>	<b>163</b>	<b>163</b>	<b>100%</b>	<b>163</b>	<b>100%</b>	<b>14</b>	<b>100%</b>	<b>149</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	60	-	-	60	100%	-	-	-	-	-	-
Female	1	-	-	1	100%	-	-	-	-	-	-
<b>+</b> <b>Total</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>61</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**b. Details of measures for the well-being of workers:**

The Company prioritizes the well-being of all its workers, including its non-permanent staff. In addition, the company ensures that these workers are covered under the EDLI scheme and ESIC.

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -**

	<b>FY 2023-24</b> Current Financial Year	<b>FY 2022-23</b> Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.06%	0.03%

**2. Details of retirement benefits, for Current and Previous Financial Year.**

The Company also offers provisions for PF, Gratuity and ESI to the employees and the details are provided below:

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	3%	100%	Y	3%	100%	Y
Others- please specify	NIL	NIL	NIL	NIL	NIL	NIL

**3. Accessibility of workplaces**

**Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.**

At IRMEL, there is a commitment to ensuring that the office premises are accessible to individuals of all abilities. The Company's commitment extends beyond compliance. The Company continuously enhance infrastructure to create an inclusive experience for all visitors. By fostering an environment where everyone can thrive, the company exemplifies its core values of respect, equality, and community

**4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

IRMEL holds a firm commitment to equality in employment opportunities and the creation of an inclusive work environment. This commitment extends to all employees within the company and to all eligible applicants seeking employment with the company. Discrimination, be it on the grounds of race, caste, religion, marital status, gender, age, disability, or any other category, is strictly prohibited within the company. In addition, the company ensures compliance with the provisions of the Equal Remuneration Act, further reinforcing its dedication to equality and fairness in the workplace.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
<b>Total</b>	100%	100%	NA	NA

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
 Permanent workers	No permanent worker engaged with IRMEL.
 Other than permanent workers	Yes. Individuals engaged on a contractual basis with the company have the provision to report any grievances to the representative of their respective contractor or to the supervisor within the company. It is anticipated that the contractor will undertake the necessary actions to address these grievances. If the situation necessitates, the grievance can be escalated to the Human Resources department and the respective functional heads within the company. This process ensures that all concerns are heard and addressed in a timely and efficient manner, maintaining a harmonious and productive work environment.
 Permanent employees	Yes, In the company, a structured Grievance Redressal procedure exists. Initially, the individual reports the concern to the immediate Supervisor or Reporting Manager. If the resolution is unsatisfactory, the issue is escalated to the Head of Department.
 Other than permanent employees	If the complainant remains unsatisfied, a Grievance Committee is formed. If no settlement is reached, the matter is escalated to the Chairman, whose decision is final.  The Company strives to resolve every grievance, providing a final response detailing the resolution or rejection of the complaint, along with justifications for each decision. This process ensures professionalism and efficiency in addressing concerns.

**7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:**

The Company does not have any employee's association. However, the company acknowledges and respects the right to freedom of association.

**8. Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	209	209	100%	209	100%	181	181	100%	181	100%
Female	15	15	100%	15	100%	16	16	100%	16	100%
<b>Total</b>	224	224	100%	224	100%	197	197	100%	197	100%
<b>Workers</b>										
Male	28	28	100%	20	72%	23	23	100%	23	100%
Female	Not Applicable									
<b>Total</b>	28	28	100%	20	72%	23	23	100%	23	100%

## 9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	209	185	89%	181	181	100%
Female	15	14	93%	16	16	100%
<b>Total</b>	224	199	89%	197	197	100%
<b>Workers</b>						
Male	28	20	72%	23	23	100%
Female				Not Applicable		
<b>Total</b>	28	20	72%	23	23	100%

## 10. Health and Safety Management System:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, IRMEL has put into operation an Occupational Health and Safety Management System (OHSMS). This system is crafted with the intent to safeguard the well-being and safety of all individuals involved in its operations, including employees, contractors, and visitors. The OHSMS encompasses several crucial areas:

**Risk Management:** This involves the identification, evaluation, and mitigation of potential hazards in the workplace to avert accidents and health-related issues.

**Compliance:** IRMEL ensures strict adherence to both local and national health and safety regulations and standards.

**Training and Awareness:** Regular training sessions and awareness drives are conducted for all employees to foster a culture of safety.

**Emergency Preparedness and Response:** IRMEL has in place plans and procedures to effectively manage emergency situations. This includes evacuation plans, first aid provisions, and crisis management strategies.

**Health Surveillance:** IRMEL runs programs to monitor and safeguard employee health. These include regular medical check-ups, health risk assessments, and support for mental health.

**Incident Investigation and Reporting:** Mechanisms are in place for reporting, investigating, and analysing workplace incidents and accidents to prevent them from happening again.

**Continuous Improvement:** Regular audits are conducted to ensure the effectiveness of the OHSMS and to integrate the latest best practices in occupational health and safety.

**Worker Participation:** Employees are actively involved in safety committees and decision-making processes related to health and safety matters.

**Contractor and Supplier Management:** IRMEL ensures that contractors and suppliers comply with its health and safety standards.

**Environmental Health:** Measures are taken to prevent occupational exposure to hazardous substances and to promote a healthy working environment.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

IRMEL is actively engaged in the continuous process of identifying Health, Safety, and Environmental (HSE) hazards associated with its operations and facilities. This involves assessing the historical, current, and potential HSE impacts of both regular and irregular activities. Everyone at IRMEL workplaces, including visitors, subcontractors, and suppliers, is involved in these processes, which are implemented both routinely and non-routinely to cater to the specific needs and dynamic nature of operations.

**IRMEL has established procedures to:**

**Identify Hazards:** Early identification of hazards and environmental impacts in the development of new facilities, activities, processes, or tasks. This proactive approach helps to integrate effective Health and Safety practices from the outset.

**Evaluate Risks:** Assessment of the risk levels and impacts of identified hazards to pinpoint those that pose significant HSE risks. This risk/impact assessment considers both the severity of potential consequences and the likelihood of their occurrence.

**Implement Control Measures:** Timely and effective control measures are implemented to reduce risks/impacts to a tolerable level, known as ALARP (As Low As Reasonably Practicable). ALARP represents a risk level that IRMEL can accept considering its legal obligations and internal policies.

To assist in hazard identification and risk assessment, IRMEL approaches on both routine and non-routine bases:

**Routine Basis:** Activities include Hazard Identification and Risk Assessment (HIRA), Site Specific Risk Assessment (SSRA), Safety Audits and inspections, Risk mapping (HCA), and Safety training & drills.

**Non-Routine Basis:** Activities include Hazard and Operability (HAZOP), Quantitative Risk Assessment (QRA), Management of Change (MoC), Pre-Start Safety Review (PSSR) and Incident Investigation.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)**

Yes, IRMEL has instituted a series of measures to ensure the safety of its workforce during operations. These measures aim to create a safer working environment by actively involving all employees in the identification and mitigation of risks.

**These measures include:**

**Incident Reporting and Investigation System:** This system allows employees to report any incidents, including near-misses, injuries, and accidents. Each report triggers a formal investigation to identify the root causes and develop corrective actions. This system aids in understanding specific risks and preventing similar incidents in the future.

**Unsafe Act and Conditions Reporting System:** This proactive system encourages employees to report any unsafe conditions or behaviors they observe. This allows the company to address potential hazards before they result in incidents.

**Safety Alerts:** Key findings and lessons learned from reported incidents and investigations are disseminated among all employees through safety alerts. These alerts serve to educate and remind staff about essential safety practices and the importance of compliance with established safety protocols.

**d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, IRMEL has put into effect several policies to aid its employees with non-work-related medical and healthcare services. These policies are:

**Health Care Policy:** This policy encompasses services for health check-ups, facilitating regular health assessments for employees.

**Insurance Scheme:** IRMEL provides insurance benefits, including Medclaim Insurance and Group Personal Accident Insurance. These benefits offer financial protection in the event of medical emergencies or accidents.

In addition to these policies, IRMEL has formed alliances with various hospitals. This ensures that employees have ready access to essential medical and healthcare services when required.

**11. Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Workers	Nil	Nil
	Employees	Nil	Nil
Total recordable work-related injuries	Workers	Nil	Nil
	Employees	Nil	Nil
No. of fatalities	Workers	Nil	Nil
	Employees	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Workers	Nil	Nil
	Employees	Nil	Nil

## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

IRMEL places the utmost importance on the health and safety of its employees, properties, and the environment. This is reflected in its comprehensive Health, Safety, and Environment (HSE) policy. To maintain a safe workplace, IRMEL strictly adheres to Standard Operating Procedures (SOPs) in all areas, including design, operations, maintenance, and modifications. Before any critical task is undertaken, it is thoroughly reviewed through work permits. This ensures that all prerequisites are met and that Personal Protective Equipment (PPE) requirements are complied with. IRMEL also takes steps to educate the public about natural gas safety. This is done through outreach programs and by providing information on how to recognize and report gas leaks. Regular inspections and maintenance of gas pipelines, equipment, and other assets are carried out to ensure they are in good working order. This helps to prevent potential accidents caused by equipment failure. IRMEL conducts regular annual health checks for all its employees, emphasizing the importance of proactive health management. Contract workers are provided with Safety & Technical Competency (STC) training. This equips them with the necessary knowledge and skills to prevent incidents.

## 13. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
 Working Conditions	Nil	Nil	NA	Nil	Nil	NA
 Health & Safety	Nil	Nil	NA	Nil	Nil	NA

## 14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
 Working Conditions	100%
 Health & Safety	100%

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

IRMEL has put in place Standard Operating Procedures (SOPs) for reporting and investigating incidents. This ensures that any corrective actions needed as a result of these incidents are implemented uniformly across all locations. Investigations are carried out by expert third-party investigators, and the results of these investigations are used to update corrective actions in a timely manner to prevent the recurrence of such incidents.

To minimize damage to gas pipelines caused by third-party activities, IRMEL uses GIS mapping and a mobile software for 'Dial before Dig' and incident reporting.

IRMEL has also implemented a robust, fully controlled CNG operation through the SCADA system. This system is overseen by a centralized control room, ensuring the safe operation of CNG/LCNG operations.

In addition, IRMEL communicates natural gas safety messages to the public and PNG customers. This is done through safety awareness programs, radio, and SMS messages.

**Leadership Indicators- D**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Employees: Yes. The Company has implemented a Term Life insurance policy that covers all employees. In the event of an employee’s death, a compensatory package is extended to the deceased employee’s family through a benevolent fund.

Workers: Yes. As for vendors and contractors, they are required to comply with statutory regulations as per the applicable rules. This includes coverage through the Employees Deposit Linked Insurance (EDLI) scheme and Workmen Compensation.

**2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.**

The Company takes diligent measures to ensure that its vendors and other partners in the value chain adhere to statutory obligations. This is achieved through meticulous contract processes and checks. Regular statements are received detailing deductions for Provident Fund (PF), Employee’s State Insurance Corporation (ESIC), and Professional Tax (PT) as applicable for employees deployed by these partners for the company’s services. The company has well-structured processes and procedures in place, encompassing all necessary measures such as contract clauses and bill approvals. These measures ensure compliance and smooth operation within the entity. This description provides a simplified yet professional overview of the company’s compliance measures for its partners.

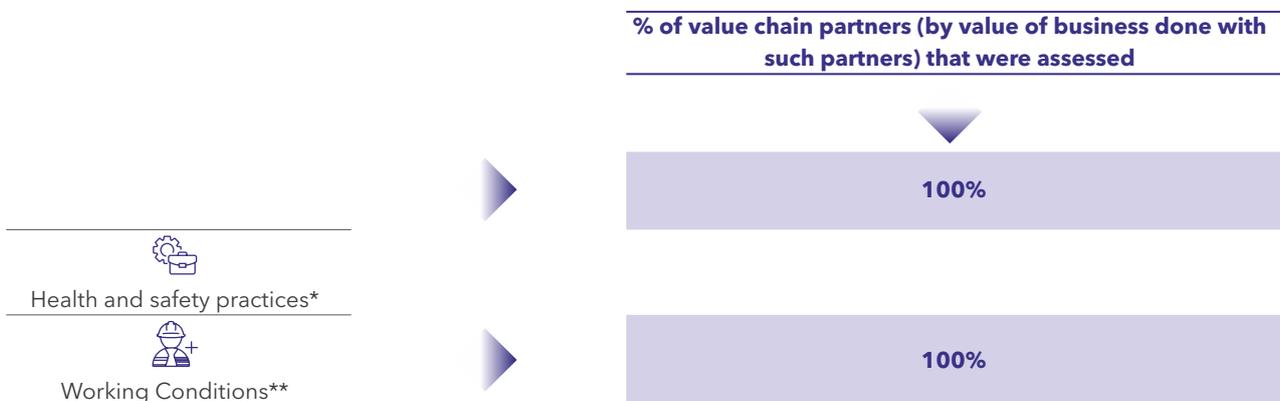
**3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) -**

No. Currently, there are no programs in place to assist with transitions, such as ensuring ongoing employability or managing the end of careers due to retirement or job termination.

**5. Details on assessment of value chain partners:**



\*Prior to appointing a contractor for any task, IRMEL conducts a thorough evaluation of various factors. These include workplace safety, adherence to rules and regulations, readiness for emergencies, identification and mitigation of hazards, and the use of Personal Protective Equipment (PPE). The Health, Safety, and Environment (HSE) protocols are explicitly outlined in the technical documents of the contracts with partners in the value chain. The HSE plan incorporates monthly meetings with contractors to ensure the implementation of health and safety practices.

\*\* IRMEL maintains the conditions of the work site by carrying out regular safety inspections. This includes conducting educational sessions known as 'Toolbox Talks', and disseminating guidelines on health, safety, and hygiene for workers. The availability of Personal Protective Equipment (PPE) is also ensured. These measures collectively contribute to a safe and productive work environment.

## 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No such adverse findings were observed from the audit in these aspects during FY 2023-24.

### PRINCIPLE 4:

#### Business should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators:



#### 1. Describe the processes for identifying key stakeholder groups of the Company

The Company recognizes stakeholders as individuals or groups who can influence or are impacted by the company's operations. To identify these key stakeholders, IRMEL compiled a preliminary list of interested parties, considering historical issues and relationships. The list includes employees, suppliers, customers, business partners, regulatory agencies, and local communities near its operational sites.

#### 2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders, investors	No	Email, Newspaper Advertisements, Corporate Announcement	Regular	Financial Results, Statutory Communications as per applicable SEBI Laws, Performance Highlights
Regulatory Bodies like SEBI, NSE, BSE and MCA	No	Respective Portal for regulatory filings, Website and Email	As required	Financial Results, Statutory Communications as per applicable SEBI Laws, Performance Highlights
Employees	No	Email, Newsletters, Intranet	Regular	Learning and development, Employee wellbeing
Suppliers	No	Supplier meets, Meeting	Regular	Understanding concerns of Suppliers, Tender Terms & Conditions and Performance Review
Customers	No	Website, Emails, Social Media, Pamphlets	Regular	Customer surveys, Product Quality, Health and Safety
Local Communities	Yes	Community events, CSR initiatives, corporate communication etc.	Regular/Need based	community grievances redressal, Recruitment of people from local community, supporting rural economy

#### Leadership Indicators-



#### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

IRMEL acknowledges the significance of dynamic engagement with its stakeholders as a crucial factor in fulfilling their requirements and bolstering their confidence. The management of the Company maintains regular communication with

principal stakeholders. Engagement with relevant stakeholder groups is facilitated through various channels. The feedbacks gathered from these interactions are compiled and presented to the members of the Board during their quarterly meetings. During these interactions, matters related to sustainability, encompassing economic, environmental, and social aspects, are deliberated upon, thereby enlightening stakeholders about sustainability issues. Looking ahead, the Company is committed to intensifying its concentration on discussions pertaining to sustainability in these meetings.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The Company engages with stakeholders through various platforms to comprehend their needs and concerns better. A materiality assessment is conducted, involving interactions with a multitude of stakeholders. Both internal and external stakeholders identify the most crucial issues and topics that could impact the business operations. These topics are meticulously considered in the company's Environmental, Social, and Governance (ESG) strategies and framework.

For the purpose of identifying material topics, the management, based on their experience and industry practice, identifies these topics. The management also contemplates seeking input from other stakeholders in the future to determine material business issues.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

In addressing the concerns of vulnerable and marginalized stakeholder groups, the company has taken significant steps. It has prioritized Micro, Small, and Medium Enterprises (MSME) vendors for its procurement of goods and services, demonstrating a commitment to supporting smaller businesses.

**PRINCIPLE 5:**

**Business should respect and promote human rights**

**Essential Indicators:**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	163	163	100%	165	165	100%
Other than Permanent	61	61	100%	32	32	100%
<b>Total Employees</b>	224	224	100%	197	197	100%
<b>Workers</b>						
Permanent	-	-	-	-	-	-
Other than Permanent	28	28	100%	23	23	100%
<b>Total Workers</b>	28	28	100%	23	23	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24				FY 2022-23					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	163	-	-	163	100%	165	-	-	165	100%
Male	149	-	-	149	100%	149	-	-	149	100%
Female	14	-	-	14	100%	16	-	-	16	100%
Other than Permanent	61	-	-	61	100%	32	-	-	32	100%
Male	60	-	-	60	100%	32	-	-	32	100%
Female	1	-	-	1	100%	-	-	-	-	-
<b>Workers</b>										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	28	-	-	28	100%	23	-	-	23	100%
Male	28	-	-	28	100%	23	-	-	23	100%
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. The details are provided below:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/wages of respective category (₹ in lakhs)
Board of Directors (BoD)	7	3.6	1*	2.2
Key Managerial Personnel (KMP)	2	62.96	1	9
Employees other than BoD and KMP	207	4.33	14	4.89
Workers	28	2.66	-	-

\* Mrs. Geeta Goradia resigned from the post of Director w.e.f. January 06, 2024

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	6%	7%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, The responsibility for addressing concerns and issues related to human rights at all levels rests with the Human Resource department. This department is committed to ensuring that these matters are handled with utmost professionalism and diligence.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

An established mechanism for addressing employee grievances is in place within the company. This system includes a pre-determined Turn Around Time (TAT) and a clearly defined escalation matrix. An employee can initially share their concerns with their immediate supervisor. It is imperative that all grievances are addressed within the specified TAT to ensure timely resolution.

**6. Number of Complaints on the following made by employees and workers:**

The details are provided below:

Benefits	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment Discrimination at workplace Child Labour Forced Labour/ Involuntary Labour Wages Other Human rights related issues	NIL			NIL		

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	NA	NA
Complaints on POSH upheld	NA	NA

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The company promote a work environment that is inclusive and free from discrimination and harassment. If employees have any grievances, they can report them to the company's Ombudsman as outlined in the Vigil Mechanism/Whistle Blower Policy. The company's policy strictly condemns any form of discrimination, harassment, victimization, or other unfair employment practices against whistle blowers. Whistle blowers are fully protected against any unfair practices such as retaliation, threats, termination or suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or any other direct or indirect use of authority that could hinder the whistle blower's ability to perform their duties or make further Protected Disclosures.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, business agreements and contracts within the organization do include clauses related to statutory compliances. These cover aspects such as Provident Fund (PF), Employee's State Insurance (ESI), adherence to minimum wage standards, and regulation of working hours.

**10. Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	--

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not Applicable, there were no significant concern that arose from the assignments above that needed corrective actions.

**Leadership Indicators- D**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

Nil

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

The company strictly adheres to all labor laws and human rights policies. However, no specific human rights due diligence exercise is conducted in the company.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

At IRMEL, there is a commitment to ensuring that all office locations are accessible to individuals with disabilities. Continuous efforts are being made to enhance the infrastructure, thereby guaranteeing an inclusive experience for everyone on the premises.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	NIL
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others - please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable, as no substantial risks or concerns have been identified with respect to the above mentioned topics with the Value Chain partners.

**PRINCIPLE 6:**

**Business should respect and make efforts to protect and restore the environment**

**Essential Indicators: D**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

<b>Parameter</b>	<b>FY 2023-24 (Current Financial Year) (GJ)</b>	<b>FY 2022-23 (Previous Financial Year) (GJ)</b>
<b>From renewable sources</b>		
Total electricity consumption (A)	8,676	0
Total fuel consumption (B)	0	0
Energy consumption sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>8,676</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	36,749.93	36,238.10
Total fuel consumption (E)	49,835.88	37,372.32

Parameter	FY 2023-24 (Current Financial Year) (GJ)	FY 2022-23 (Previous Financial Year) (GJ)
Energy consumption sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	86,585.81	73,610.42
<b>Total energy consumed (A+B+C+D+E+F)</b>	95,261.81	73,610.42
<b>Energy intensity per rupee of turnover</b>	99.58	310.89
(Total energy consumed / Revenue from operations) (GJ/ Rupee of turnover in crore)		
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	2,278.38	7,113.25
(Total energy consumed / Revenue from operations adjusted for PPP)		
<b>Energy intensity in terms of physical output</b>	–	–
Energy intensity (optional) - the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water*	3358	2901
(ii) Groundwater**	603	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	3961	2901
<b>Total volume of water consumption (in kilolitres)</b>	3961	2901
<b>Water intensity per rupee of turnover</b>	4.14	12.25
(Total water consumption / Revenue from operations) (KL/ Rupee of turnover in crore)		
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	94.73	280.33
<b>Water intensity in terms of physical output</b>	–	–
<b>Water intensity</b> (optional) - the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

\*Approx. Qty has been considered for COCO CNG stations only.

\*\*Approx. Qty has been considered for COCO CNG stations only. Water tanker supply from third party.

#### 4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Given the specific characteristics of IRMEL's operations, water consumption is primarily confined to domestic use. Wastewater discharge is managed in accordance with established facility maintenance protocols and applicable regulations.	
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

\*The water usage at the CNG stations and office is primarily for domestic purposes, and it is not utilized in any process operations. Therefore, there is no discharge of industrial effluent.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

#### 5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Given that water is not utilized in operational processes nor discharged as industrial effluent, IRMEL does not employ a Zero Liquid Discharge system. The company's facilities, including offices, City Gas Stations, and Compressed Natural Gas Stations, generate only domestic wastewater. This effluent is managed through appropriate disposal methods, including municipal or district sewer systems or repurposing for landscaping irrigation. The nature of this wastewater does not necessitate treatment prior to disposal.

#### 6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
NO <sub>x</sub>	Pollutant monitoring is conducted through standardized stack sampling procedures for diesel generator sets and compressed natural gas (CNG) compressors. The resultant data from these surveillance activities is systematically reported to the appropriate Pollution Control Board (PCB), in full accordance with regulatory requirements and compliance protocols.		
SO <sub>x</sub>			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify Mercury, Cadmium, Chromium etc.			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

The details are provided below:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2631.13	2048.42
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	7309.17	7207.35
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent / Rupee of turnover in crore	10.39	9.67
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent / Rupee of turnover in crore	237.74	221.37
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	–	–	–
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> - the relevant metric may be selected by the entity	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

**8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

IRMEL has established a solar power plant with a capacity of 3.123 MW (DC). This plant supplies electricity to 23 CNG stations within the Banaskantha GA region. This initiative is a significant stride towards achieving net-zero emissions and transforming the company into a carbon-neutral entity.

**9. Provide details related to waste management by the Company, in the following format:**

The required details are provided below:

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Nil	Nil
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	7.2	5.9
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
<b>Total (A+B + C + D + E + F + G+ H)</b>	7.2	5.9

Parameter	FY 2023-24	FY 2022-23
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations)	0.0075	0.0249
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.17	0.57
<b>Waste intensity in terms of physical output</b>	–	–
<b>Waste intensity (optional)</b> - the relevant metric may be selected by the entity	–	–
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	7.2	5.9
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
<b>Total</b>	7.2	5.9
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	NIL	NIL
<b>Total</b>	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such independent assessment/evaluation/assurance has been carried out by an external agency

**10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

IRMEL upholds rigorous waste management protocols. The primary focus of IRMEL is on the safe handling and disposal of hazardous materials, including lube oil for CNG compressors, which is a significant component of the limited hazardous waste generated by the operations.

To ensure safety and compliance, IRMEL has procedures in place for the management of hazardous waste, e-waste, and other types of waste. These procedures involve careful separation of scrap/lube oil, which is then stored in dedicated storage facilities. Hazardous wastes undergo handling, segregation, storage, and transportation in line with applicable regulatory requirements and best industry practices.

IRMEL also has a resource conservation policy in effect, ensuring compliance with all relevant regulations on natural resources, waste, and land. This policy promotes the use of technologies to minimize specific waste generation and toxicity.

All waste materials are directed to vendors approved by the State Pollution Control Board. These vendors are tasked with either recycling the waste or disposing of it in an environmentally friendly manner. The disposal of hazardous waste is carried out through authorized recycling vendors, as mandated by regulation, ensuring that the waste management of IRMEL is both effective and environmentally responsible.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

If not, provide details of all such non-compliances, in the following format:

Sr.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
IRMEL is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act. There are no such incidences of non-compliances with such Laws & Regulations reported during the current financial year.				

## Leadership Indicators- D

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) **Name of the area** - The Company's water requirements are exclusively for employee consumption and domestic use. As such, the company did not engage in water withdrawal, consumption, or discharge in water-stressed areas during the current financial year.
- (ii) **Nature of operations** -
- (iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
<b>Total volume of water withdrawal (in kilolitres)</b>		
<b>Total volume of water consumption (in kilolitres)</b>		
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)		
<b>Water intensity</b> (optional) - the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY2023
<b>Total Scope 3 emissions</b>	Metric tonnes of CO <sub>2</sub> equivalent	The company is not capturing data for scope 3 emissions, at present. Efforts are underway to track and record this data and it will be made available from the upcoming years.	
(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)			
<b>Total Scope 3 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent /Rupee turnover		
<b>Total Scope 3 emission intensity</b>	Kgs		

Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

**3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable, none of the offices are situated in areas designated as ecologically sensitive by various governmental authorities.

**4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr.No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Electric charging station	IRMEL has developed electric vehicle (EV) charging stations alongside its CNG stations, providing customers with multiple fuel options at a single location. This integrated approach has been well-received by customers and demonstrates IRM Energy's commitment to supporting the transition to greener mobility.	This forward-thinking approach has received positive responses from customers, who appreciate the convenience and environmental consciousness of having multiple eco-friendly fuelling options available.
2	Shifting from Diesel driven HCV to CNG driven HCV for fleet operations	To reduce harmful emissions, IRMEL has started transitioning its fleet of heavy commercial vehicles (HCVs) from diesel to CNG.	This strategic shift not only assists in maintaining a healthier environment but also yields positive impacts on operational parameters within the transportation sector, such as improved mileage and reduced fuel costs. By embracing cleaner fuel alternatives, the company exemplifies its dedication to sustainable practices while simultaneously enhancing operational efficiency.
3	Incident Reporting Module (Android & Web)	The Company has developed a cutting-edge Web and Android-based Incident Reporting & Management System, integrated into its Web GIS platform.	This innovative initiative has digitized the entire incident management workflow, enabling users to report and geo-tag infrastructure-related digging work sites near gas pipeline networks. This streamlined process empowers the control room to allocate resources optimally, significantly reducing pipeline damages and subsequent gas emissions, thereby increasing resource efficiency and enhancing safety measures.
4	PNG fuel used to run CNG compressors	In a significant move towards reducing environmental impact, the company has installed two engine-driven CNG compressors that utilize PNG (Piped Natural Gas) as fuel instead of the conventional High-Speed Diesel (HSD).	This transition has resulted in a significant reduction in particulate matter (PM) and greenhouse gas emissions, improved energy efficiency, and decreased dependence on more polluting fossil fuels.
5	Solar Park	The Company has established a captive solar facility with a capacity of 3.123 MW (DC) to power 23 CNG stations in the Banaskantha region.	This renewable energy initiative has facilitated a 37% transition to clean energy in the electricity consumption of these CNG stations, marking a significant step towards embracing sustainable energy sources and reducing the company's carbon footprint.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

In adherence to the Petroleum and Natural Gas Regulatory Board (PNGRB) Emergency Response & Disaster Management Plan (ERDMP) regulations of 2010, updated in 2020, ERDMP documents have been formulated by IRMEL for each of its operational regions. These documents, approved by senior management, provide a comprehensive framework for managing potential or anticipated undesirable incidents. This ensures that IRMEL is well-equipped to handle any unexpected and unintentional accidents effectively. A third-party agency enlisted by PNGRB has audited and subsequently validated the robustness and effectiveness of these documents.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

In the City Gas Distribution (CGD) value chain, it is acknowledged that certain operations may negatively affect the environment. The primary sources of these impacts are the distribution of natural gas and the construction and upkeep of infrastructure. These processes can lead to air and water contamination, as well as the emission of greenhouse gases, potentially intensifying climate change and damaging local ecosystems. In response to these issues, the company has put into action several strategies for mitigation and adaptation. These include investments in renewable energy, advancements in technology, monitoring of environmental impacts, engagement with local communities, and adherence to regulatory standards. This approach ensures a commitment to environmental stewardship while maintaining operational efficiency.

**7. % of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?**

In pursuit of sustainability, the company ensures the sustainability of its value chain partners' operational practices. The company is actively evaluating opportunities for environmental impact assessments and will implement relevant measures in subsequent financial years.

**PRINCIPLE 7:**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators:**



**1. a. Number of affiliations with trade and industry chambers/associations.**

The Company has affiliations with 2 trade and industry associations as mentioned in the response below in part (b)

**b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

Sr.No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Association of CGD Entities	National
2	Indian Biogas Association	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

**Name of the authority**

**Brief of the case**

**Corrective action taken**

The company has not been subject to any regulatory orders or directives regarding anti-competitive conduct. Consequently, no corrective actions were necessary or initiated during the reporting period, as no instances of such behavior were reported or identified.

**Leadership Indicators-**



**1. Details of public policy positions advocated by the Company:**

At the industry level, the company actively engages with various industry forums and associations. These collaborative efforts aim to establish industry-standard benchmarks aligned with global best practices. Through consistent interaction with

these influential bodies, the company contributes to the long-term viability of the industry by actively participating in policy development, thereby ensuring a sustainable future

Sr.No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/Others- please specify)	Web Link, if available
NIL					

## PRINCIPLE 8:

**Businesses should promote inclusive growth and equitable development**

### Essential Indicators:



- Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:**

Sr.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2023-24 (In INR)
Not Applicable						

- Describe the mechanisms to receive and redress grievances of the community.**

In each locations, the Geographical Area (GA) Head serves as the primary on-site representative. This individual is readily accessible for community members to voice any complaints or grievances. These concerns can be expressed either verbally or in written form.

Upon receiving a grievance, the GA Head communicates with the GA In-charge or CEO to collect their assistance in resolving the issue. The GA Head acts as the initial contact point for community members, facilitating the submission and resolution of grievances on a personal basis. This approach underscores our commitment to addressing and resolving concerns promptly and professionally.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers		
Directly from Within India		

The Company is not capturing, at present. However, initiatives are being implemented to systematically track and document this information. It is anticipated that this data will be accessible in the upcoming years, thereby ensuring the company's commitment to transparency and accountability.

**5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	13%	13%
Semi-urban	22%	30%
Urban	18%	12%
Metropolitan	47%	45%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Note: The Company acquires geographical areas in the industry through bidding on PNGRB. To promote job creation in smaller towns, it places a strong emphasis on hiring from the local community. Proactive engagement with local colleges and residents facilitates the identification of suitable candidates, ensuring that employment opportunities directly benefit individuals within the region.

### Leadership Indicators- D

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

**2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:**

Sr.No.	State	Aspirational District	Amount spent (In INR)
NIL			

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No) -** The Company determines vendors through internal evaluations, adhering strictly to the standard e-tender terms and conditions. No preferential treatment is extended to any specific suppliers.

**(b) From which marginalized/vulnerable groups do you procure? -** The Company procures items in alignment with established vendor selection policies.

**(c) What percentage of total procurement (by value) does it constitute? -** Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:**

Sr.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable as the company does not hold any intellectual property				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable as IRMEL has not obtained or acquired any intellectual property rights		

**6. Details of beneficiaries of CSR Projects:**

Sr.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Hydroponics based fodder cultivation - Farmers at Panchmahal and Banaskantha District	5	100%
2	To set up the Managerial Development Cell with an autonomous body to get free decision making and to execute the decided action plan faster with minimum possible time.	60	100%
3	a. Support for the upgradation of Modern Mechanical Lab and Solar Kits/Systems b. The Company installed rooftop Solar PV Power plant (The students belonging to socially and educationally backward classes, needy and unemployed youth, especially from rural areas from Gujarat and India)	1000	100%
4	Support for establishing modern apparel lab for empowerment of women (Women farmers and their family members of Panchmahal and Dahod)	85	100%
5	Establishing STEM (Science, Technology, Engineering & Mathematics) lab in Government School	220	100%
6	Creating a center to provide IT based vocational education to Specially abled children in a sustainable manner	74	NA
7	Setting up laboratory infrastructure/lab equipments for pharmacy course for promoting education	95	NA
8	Creation of Animal Cell Culture facility and central instrumental facility for life science	82	NA

**PRINCIPLE 9:**

**Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators:** 

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

IRMEL has established a variety of communication channels for its clientele. These channels facilitate the submission of feedback, grievances, and suggestions related to the company’s services. The communication platforms encompass:

- Dedicated customer service centers
- The official IRM Energy website
- Social media platforms (including WhatsApp, Twitter, Facebook, and Instagram)
- Email correspondence
- Physical suggestion boxes located at CNG stations

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

### 3. Number of consumer complaints in respect of the following:

Number of consumer complaints in respect of the following:	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

Note: Due to the inherent nature of the commodity–natural gas–it is impractical to recall the product

### 5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, a comprehensive Cyber Security (IT) Policy is maintained by the organization, which is made accessible to all employees via the company's intranet. In addition, a detailed framework that addresses cyber security and data privacy risks is made publicly available on the official website of the organization. This ensures that both internal and external stakeholders have access to crucial information regarding the organization's approach to cyber security and data privacy.

Web link: [https://www.irmenergy.com/wp-content/uploads/2022/12/IRMEL-Cyber-Security-Policy\\_V1.pdf](https://www.irmenergy.com/wp-content/uploads/2022/12/IRMEL-Cyber-Security-Policy_V1.pdf)

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Currently, there are no pressing issues, However to address potential future problems, the company communicate Cyber Security Awareness Posters to its internal customers on a monthly basis. This proactive approach helps to foster a culture of security awareness within the organization.

The Company has implemented End Point Security (EPS) with Enhanced Data Rate (EDR) features. This robust security measure is designed to block unauthorized access and prevent potential attacks, thereby ensuring the integrity and safety of the company's digital assets.

### 7. Provide the following information relating to data breaches:

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	Nil
b. Percentage of data breaches involving personally identifiable information of customer	0
c. Impact, if any, of the data breaches	Nil

The Company has not reported any security incidents resulting in data breaches that would impact the stakeholders' interests. Stringent information security and data privacy policies are firmly established. Throughout all business operations, IRMEL prioritizes data security considerations.

**Leadership Indicators- D**
**1. Channels/platforms where information on products and services of the Company can be accessedw (provide web-link, if available).**

IRMEL maintains a comprehensive website, serving as a central hub for all pertinent information about the company. This digital platform provides easy access to details about their products, PNG and CNG, and the services they offer. Furthermore, the website elaborates on the customer segments that IRMEL caters to, as well as the locations where they operate, which is located at <https://www.irmenergy.com>.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

IRMEL is committed to fostering a culture of safety and awareness among its customers and the wider public regarding its products, PNG and CNG. The company employs a multi-faceted approach to ensure the safe and responsible use of its products and services:

**Safety Guidelines:** These are visibly displayed across all IRM Energy offices, serving as a constant reminder of safety protocols.

**Festival Safety:** During festive periods, customers receive safety tips via WhatsApp and SMS. This initiative enhances awareness about the do's and don'ts of natural gas usage.

**Awareness Programs:** The Marketing and HSE departments spearhead programs that educate potential PNG users about safe handling practices. These programs are conducted prior to establishing PNG connections in societies, buildings, or villages.

**Emergency Response:** To facilitate swift response in emergencies, safety information stickers featuring a toll-free emergency number are placed on PNG meters within customer premises.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

IRM Energy takes proactive measures to keep its consumers informed. In the event of gas supply disruptions or scheduled operational and maintenance activities, the company ensures that affected consumers are notified in advance. This communication, delivered via SMS or WhatsApp, includes information about the disruption and an estimated timeline for supply resumption. Once the gas supply is restored, a follow-up message is sent to the affected consumers. This approach underscores IRM Energy's commitment to transparency and customer service.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

In compliance with PNGRB guidelines, IRMEL is committed to the accurate display of product information. The company also prioritizes effective communication about its offerings. This is achieved through a variety of methods, including their website, informational brochures, and direct customer messaging. This approach ensures that customers are well-informed about the products and services available to them.

# Independent Auditor's Report

To  
The Members of  
**IRM Energy Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the financial statements of IRM Energy Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of

Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p><b>Revenue recognition on contracts with customer</b></p> <p>The Company is in the business of distribution of natural gas. The Company has major types of customers such as industrial, commercial, non-commercial, domestic and CNG. Revenue from sale of natural gas is considered as key audit matter as there is a risk of accuracy of recognition and measurement of gas sales in the Standalone Financial Statements considering following aspects: -</p> <ul style="list-style-type: none"> <li>• Different pricing structure for different types of customers and frequency of price change</li> <li>• Voluminous number of customers</li> <li>• Capturing Gas Consumption data in billing</li> <li>• Estimating unbilled revenue at the year-end</li> </ul>	<p><b>Principal Audit Procedures</b></p> <p>Our approach was a combination of test of internal controls, analytical and substantive procedures which included the following: -</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal control</li> <li>• For evaluation of operative effectiveness of internal control:               <ul style="list-style-type: none"> <li>• Verified samples of gas sales invoices with relevant agreements executed with the customers, accuracy of pricing, consumption quantity, tax amount of invoices of major types of customers</li> <li>• Visited site to understand actual operations</li> </ul> </li> </ul>

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>Extensive use of ERP and other IT systems for managing the billing operation</li> </ul>	<ul style="list-style-type: none"> <li>Performed analytical procedures to verify number of bills generated during the year for each major type of customers as per their respective billing cycle</li> <li>On sample basis, verified:                             <ul style="list-style-type: none"> <li>Updation of Daily Contracted Quantity of gas of Industrial customers in the billing system.</li> <li>Updation of prices of gas for all major types of customers in the billing system.</li> <li>Sales invoices- Verified subsequent realization of invoices generated for the month of March 2024</li> </ul> </li> <li>Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Standalone Financial Statements in terms of Ind AS 115.</li> </ul>

### Information Other than the Standalone Financial Statements and 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 Board's Report and Other Relevant Information contained therein, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) 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.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone Financial Statements.

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 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.

## 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 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.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statement.
  - ii. The Company has made provision as required under the applicable law or accounting standard, on material foreseeable losses, if any on long-term derivative contracts.

- iii. There are no amounts which are required to be transferred Investor Education and Protection Fund by the holding, subsidiary and joint control entities.
- iv. (a) The management has represented that, to the best of it's 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, 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 it's knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material mis-statement.
- v. The dividend declared and paid during the year by the company is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year except for the period as mentioned below for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Sr. No.	Software	Period for which audit trail (edit log) facility was not operating
1	Accounting Software	April 2023 to 16 <sup>th</sup> September 2023

For **Mukesh M. Shah & Co.,**  
Chartered Accountants  
Firm Registration No.: 106625W

**Harsh P. Kejriwal**  
Partner  
Membership No.: 128670  
Place: Ahmedabad  
Date : 21/05/2024  
UDIN: 24128670BKAFTP6643

## "Annexure - A" referred to in the Independent Auditors' Report of even date to the members of IRM Energy Limited on the Standalone Financial Statements for the year ended March 31, 2024

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone 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, we report that:

1. (a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- ii) The Company has maintained proper records showing full particular of Intangible Assets.
- (b) According to the information and explanation given to us and record produced to us for our verification, all Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification of all assets except for underground assets in relation to the gas distribution network which cannot be physically verified. The programme for physical verification in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed under property, plant and equipment in the financial statements, the lease agreements are duly executed in the name of the Company, where the Company is lessee in the agreement.
- (d) According to the information and explanations given to us and the records examined by us and based on the examination, the company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. (a) The management has conducted physical verification of inventory including inventory lying with third parties except for inventory of Natural Gas which cannot be physically verifiable. In our opinion, the frequency of such verification is reasonable and coverage and procedure for such verification is appropriate, having regard to the size of the Company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories and have been dealt with in the books of account.
- (b) The company has been sanctioned working capital limit in excess of Rs. 5 crore, in aggregate, during the year on the basis of security of current assets; the quarterly statements filed by the Company with such banks are in agreement with the books of account of the Company.
3. (a) During the year the company has made investments and also provided loans or advances in the nature of loans and also provided guarantee to companies, firms, Limited Liability Partnerships and other parties details are as follows:

Particular	Loans	Guarantees
A. Aggregate amount granted/provided during the year		
- Associates	-	140.00
B. Balance outstanding as at balance sheet date		
- Joint Venture	74.90	-
- Associates	-	815.60

- (b) According to the information and explanations given to us, the terms and conditions of the grant of the above-mentioned loan are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us, schedule of repayment of principal has been stipulated and repayment of principal is not yet due.
- (d) According to the information and explanations given to us and on the basis of our examination of books of accounts, there is no overdue loans for more than 90 days at the balance sheet date.
- (e) According to the information and explanation given to us, none of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

- (f) According to the information and explanation given to us, company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters and related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
4. According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities.
5. The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, to the extent applicable, accordingly, the requirement to report on clause 3(v) of the order is not applicable to the company.
6. 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 products 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.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Custom duty, Excise duty, Value added Tax, Cess and any other material statutory dues during the year with the appropriate authorities. Moreover, as at March 31, 2024, there are no such undisputed dues payable for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which has not been deposited as on account of any dispute, are as follows:

Name of the Statute	Name of dues	Amount (Rs. In million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	0.05	A.Y. 2018-19	Income Tax Officer

8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or due to debenture holders during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the company is not declared as willful defaulter by any bank of financial institution or other lenders.
- (c) According to the information and explanation given to us, term loans are applied for the purpose for which the loans are obtained.
- (d) According to the information and explanations given to us and on the basis of our examination of the books of account, we report that the funds raised on short term basis have not been utilized for the long-term purpose
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not taken any funds from any entity or person on account of or to meet the obligations of its associates or joint ventures.
- (f) According to the information and explanations given to us and on the basis of our examination of the books of account, company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. (a) Based upon the audit procedures performed and the information and explanations given by the management, moneys raised by the company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds, which were not required for immediate utilization have been gainfully invested in fixed deposits with scheduled commercial banks/ maintained in current account with monitoring agency. The maximum amount of such funds invested during the year was Rs. 4964.96 million of which Rs. 3549.89 million was outstanding at the end of the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential

allotment or private placement of shares or not issued any fully or partly convertible debenture during the year under review. Accordingly, the clause 3(x)(b) of the Order is not applicable.

11. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies 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, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. 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 to the Company.
13. 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 section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standard.
14. (a) According to information and explanations given to us and based on our examination of the records of the Company, we are of the opinion that 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 of the company issued till date, for the period under audit.
15. The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the act under clause 3(xv) of the Order is not applicable to the Company.
16. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the reporting under clause 3(xvi)(a) of the order is not applicable to the company.
- (b) The Company has not conducted non-banking financial activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the order is not applicable to the company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Accordingly, the reporting

under clause 3(xvi)(c) of the order is not applicable to the company.

- (d) Based on the information and explanation provided by the management of the company, the group does not have any CICs, which are part of the group. Accordingly, the reporting under clause 3(xvi)(b) of the order is not applicable to the company.
17. The Company has not incurred any cash losses in the current financial year or in the immediately preceding financial year;
18. There has been no resignation of the statutory auditors of the Company during the year, Accordingly, reporting under clause (xviii) of the Order is not applicable for the year.
19. On the basis of the financial ratios, ageing and expected dates of realization 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.
20. There is no unspent amount towards Corporate Social Responsibility (CSR) as at the end of the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
21. The reporting under clause 3(xxi) of the Order is not applicable in respect of Standalone Financial. Accordingly, no comment in respect of the said clause has been included in this report.

For **Mukesh M. Shah & Co.,**  
Chartered Accountants  
Firm Registration No.: 106625W

**Harsh P. Kejriwal**  
Partner  
Membership No.: 128670  
Place: Ahmedabad  
Date : 21/05/2024  
UDIN: 24128670BKAFPT6643

# "Annexure B" to the Auditors' Report - March 31, 2024

## Report on the Internal Financial Control 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 IRM Energy Limited ("the company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial control 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 act.

### Auditors' Responsibility

As per Section 143(3)(i) 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both issued by the ICAI. 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and

evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material 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 any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 **Mukesh M. Shah & Co.,**  
Chartered Accountants  
Firm Registration No.: 106625W

**Harsh P. Kejriwal**  
Partner  
Membership No.: 128670  
Place: Ahmedabad  
Date : 21/05/2024  
UDIN: 24128670BKAFTP6643

# Standalone Balance Sheet

as at March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, plant and equipment	4.1	5,356.42	3,610.15
b) Capital work-in-progress	4.2	867.89	910.85
c) Intangibles assets	4.3	31.53	33.65
d) Right of Use Assets	4.4	185.90	162.41
e) Financial assets			
(i) Investments	5A	115.17	115.17
(ii) Loans	6A	5.08	75.64
(iii) Other financial assets	6B	89.10	110.04
f) Other non-current assets	7	372.98	404.13
g) Income Tax Asset (Net)	8	19.61	42.26
<b>Total Non-Current Assets</b>		<b>7,043.68</b>	<b>5,464.30</b>
<b>Current Assets</b>			
a) Inventories	9	42.85	19.29
b) Financial assets			
(i) Investments	5B	153.46	543.25
(ii) Trade receivables	10	367.91	386.22
(iii) Cash and cash equivalents	11A	2,577.92	486.85
(iv) Bank balances Other Than (iii) Above	11B	2,299.86	497.92
(v) Loans	12	84.60	0.98
(vi) Other financial assets	13	72.66	37.88
c) Other current assets	14	172.72	283.66
<b>Total Current Assets</b>		<b>5,771.98</b>	<b>2,256.05</b>
<b>Total Assets</b>		<b>12,815.66</b>	<b>7,720.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	15	410.60	302.60
b) Other equity	16	8,756.69	2,953.01
<b>Total equity</b>		<b>9,167.29</b>	<b>3,255.61</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	17A	1,131.70	2,821.96
(ii) Lease Liabilities	18A	177.98	150.71
(iii) Other financial liabilities	20	404.10	355.07
b) Provisions	21A	19.14	13.72
c) Deferred tax liabilities (Net)	23	224.05	185.22
<b>Total Non-Current Liabilities</b>		<b>1,956.97</b>	<b>3,526.68</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	17B	973.30	216.39
(ii) Lease Liabilities	18B	11.29	8.54
(iii) Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		32.85	1.85
- total outstanding dues of creditors other than micro enterprises and small enterprises		260.16	309.70
(iv) Other financial liabilities	20	378.37	380.12
b) Provisions	21B	0.44	0.55
c) Other current liabilities	22	34.99	20.92
d) Current tax liabilities (Net)		-	-
<b>Total Current Liabilities</b>		<b>1,691.40</b>	<b>938.07</b>
<b>Total Liabilities</b>		<b>3648.37</b>	<b>4464.75</b>
<b>Total Equity and Liabilities</b>		<b>12,815.66</b>	<b>7,720.35</b>

See accompanying notes to the financial statements

As per our report of even date  
**For Mukesh M Shah & Co.**  
Chartered Accountants  
Firm Registration No: 106625W

**Harsh Kejriwal**  
Partner  
Membership Number : 128670  
Place : Ahmedabad  
Date : May 21,2024

For and on behalf of the Board  
**IRM Energy Limited**

**M. Sahu**  
Chairman  
DIN : 00034051

**Harshal Anjaria**  
CFO  
Place : Ahmedabad  
Date : May 21,2024

**Karan Kaushal**  
CEO

**Shikha Jain**  
Company Secretary

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Income :</b>			
Revenue from Operations	24	9,565.40	10,391.35
Other Income	25	238.19	59.64
<b>Total Income</b>		<b>9,803.59</b>	<b>10,450.99</b>
<b>EXPENSES :</b>			
Purchases of stock-in-trade of natural gas	26	6,483.28	7,795.27
Changes in Inventories	27	(18.05)	2.50
Excise Duty		660.23	590.47
Employee Benefits Expense	28	123.87	90.83
Finance Costs	29	266.96	229.03
Depreciation and Amortisation Expense	30	264.74	208.96
Other Expenses	31	827.42	789.52
<b>Total Expenses</b>		<b>8,608.45</b>	<b>9,706.57</b>
<b>Profit before Tax</b>		<b>1,195.14</b>	<b>744.42</b>
<b>Tax Expense</b>	32		
- Current Tax		192.33	141.29
- Deferred Tax		87.77	38.32
<b>Total Tax Expense</b>		<b>280.10</b>	<b>179.60</b>
<b>Profit for the year</b>		<b>915.05</b>	<b>564.82</b>
<b>Other Comprehensive income</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
a. Remeasurements of the defined benefit asset		(0.21)	(0.84)
b. Income tax related to this items		0.05	0.21
<b>Total other comprehensive income/(loss)</b>		<b>(0.16)</b>	<b>(0.62)</b>
<b>Total comprehensive income for the period/year</b>		<b>914.89</b>	<b>564.19</b>
<b>Earnings Per Share (Face Value of ₹ 10 each)</b>			
	Basic	26.14	18.94
	Diluted	26.14	18.94

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**

**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Standalone Statement of Cash Flow

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Net profit before tax and extraordinary items	1,195.14	744.41
<b>Adjustment for:</b>		
Interest Income	(177.10)	(56.86)
Employee Benefits Expense	(0.10)	0.06
Finance Costs	266.96	229.03
Income From Investment in Mutual Fund(Unrealised)	(18.56)	(0.52)
Profit on sale of Mutual Fund (Realised)	(32.93)	(2.08)
Remeasurement of defined benefits	(0.16)	(0.63)
Allowance for Credit Losses	0.20	-
Provision for Expense (net)	(167.68)	177.25
Profit on sale of asset	-	(0.18)
Depreciation and Amortisation expense	264.74	208.96
<b>Operating profit before working capital changes</b>	<b>1,330.74</b>	<b>1,299.44</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in Other Current Assets	7.51	(595.43)
(Increase)/Decrease in Other Non Current Assets	(21.47)	(313.74)
(Increase)/Decrease in Other Financial Assets- Current	(18.79)	(12.13)
(Increase)/Decrease in Other Financial Assets- Non Current	19.84	72.45
(Increase)/Decrease in Inventories	(23.57)	(2.14)
(Increase)/Decrease in Trade Receivable	42.42	(159.08)
Increase/(Decrease) in Trade Payables	(18.55)	339.20
Increase/(Decrease) in Other Financial Liabilities Current	(56.25)	242.35
Increase/(Decrease) in Other Financial Liabilities Non Current	49.03	78.47
Increase/(Decrease) in Other Liabilities Current	14.25	(202.03)
<b>Cash generated from operation</b>	<b>1,325.17</b>	<b>747.36</b>
Direct taxes (paid)/Refund( Net)	(121.95)	(280.41)
Cash flow before extraordinary items	1,203.22	466.95
<b>Net cash from operating activities (a)</b>	<b>1,203.22</b>	<b>466.95</b>
<b>B. Cash flow from investing activities</b>		
Interest Income	164.90	49.04
Investment in Deposit With Bank	(1,801.94)	266.06
Investment in Mutual Fund	(4,086.48)	(730.32)
Sale of Mutual Fund	4,590.26	292.45
Investment in Subsidiary	-	(0.35)
(Purchase)/Sale of PPE (incl. CWIP ,Capital Advances)	(1,778.37)	(1,625.16)
<b>Net cash used in investing activities (b)</b>	<b>(2,911.62)</b>	<b>(1,748.28)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from equity shares issued (incl Securities Premium)	5,449.96	412.63
Transaction cost on issue of share	(403.04)	(1.67)
Proceeds from Non Current Banks Borrowings	771.85	1,152.72
Proceeds from Current Banks Borrowings	150.00	-
Repayment Towards Non Current Bank Borrowing	(1,725.47)	(108.69)
Repayment Towards Current Bank Borrowing	(150.00)	(49.98)
Finance Costs	(213.74)	(192.24)
Payments of Lease Liabilities	(29.98)	(21.41)
Dividend Paid	(50.13)	(14.68)
<b>Net cash from financing activities (c)</b>	<b>3,799.46</b>	<b>1,176.68</b>
<b>Net increase / (decrease) in cash and cash equivalents (a+b+c)</b>	<b>2,091.06</b>	<b>(104.64)</b>
Cash and cash equivalents – opening balance	486.85	591.49
<b>Cash and cash equivalents – closing balance</b>	<b>2,577.92</b>	<b>486.85</b>
<b>Reconciliation of cash and cash equivalents with the Balance sheet:</b>		
Cash and cash equivalents at the end of the year comprises		
(a) Balance with banks		
Balance in Current Accounts	676.32	218.06
(b) Cash on hand	1.01	0.65
(c) Fixed Deposit Less than 3 Months Maturity	1,900.59	268.14
	<b>2,577.92</b>	<b>486.85</b>

# Standalone Statement of Cash Flow

for the year ended March 31, 2024

## Notes:

- (i) The cash Flow statement reflects the cash flows pertaining to continuing operations.
- (ii) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act, 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- (iii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

## As at March 31, 2024

Particulars	As at March 31, 2023	Cash Flows	As at March 31, 2024
Non Current Borrowings	2,821.96	(1,690.25)	1,131.70
Current maturity of Non-Current borrowings	216.39	657.07	873.46
Current Borrowings	-	99.85	99.85
<b>TOTAL</b>	<b>3,038.34</b>	<b>(933.33)</b>	<b>2,105.01</b>

## As at March 31, 2023

Particulars	As at March 31, 2022	Cash Flows	As at March 31, 2023
Non Current Borrowings	1,867.60	954.36	2,821.96
Current maturity of Non-Current borrowings	106.97	109.42	216.39
Current Borrowings	51.35	(51.35)	-
<b>TOTAL</b>	<b>2,025.92</b>	<b>1,012.43</b>	<b>3,038.34</b>

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21, 2024

For and on behalf of the Board

**IRM Energy Limited**

**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21, 2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Standalone Statement of Changes In Equity

for the year ended March 31, 2024

## (a) Equity Share Capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	No. of Shares	Amount
<b>Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:</b>		
<b>As at March 31, 2022</b>	<b>29,369,677</b>	<b>293.70</b>
Add: Issued during the period between 1st April 2022 to 31st March,2023	890,000	8.90
<b>As at March 31, 2023</b>	<b>30,259,677</b>	<b>302.60</b>
Add: Issued during the period between 1st April 2023 to 31st March,2024	10,800,000	108.00
<b>As at March 31, 2024</b>	<b>41,059,677</b>	<b>410.60</b>

## (b) Other equity

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Other Comprehensive Income	Total
		Securities Premium	Retained Earnings	Remeasurement of defined benefit plans	
<b>Balance as at 31 March 2022</b>	<b>211.05</b>	<b>54.28</b>	<b>1,736.65</b>	<b>(0.52)</b>	<b>2001.46</b>
Profit for the year period ending March 31, 2023	-	-	564.79	-	564.79
Remeasurements of the defined benefit asset (net of tax)	-	-	-	(0.63)	(0.63)
Corporate Dividend	-	-	(14.68)	-	(14.68)
Transaction Cost on issue of shares	-	(1.67)	-	-	(1.67)
Share Premium	-	403.73	-	-	403.73
<b>Balance as at 31 March 2023</b>	<b>211.05</b>	<b>456.34</b>	<b>2,286.78</b>	<b>(1.15)</b>	<b>2,953.01</b>
Profit for the year period ending March 31, 2024	-	-	915.05	-	915.06
Remeasurements of the defined benefit asset (net of tax)	-	-	-	(0.16)	(0.16)
Corporate Dividend	-	-	(50.13)	-	(50.13)
Transaction Cost on issue of shares	-	(403.04)	-	-	(403.04)
Share Premium	-	5,341.96	-	-	5,341.96
<b>Balance as at 31 March, 2024</b>	<b>211.05</b>	<b>5,395.26</b>	<b>3,151.70</b>	<b>(1.31)</b>	<b>8,756.69</b>

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**
**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 1. Company Information

IRM Energy Limited (formerly known as IRM Energy Private Limited) was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company was converted into Public Company consequent to which a fresh certificate of incorporation dated 23rd March, 2022 was issued by the Registrar of Companies, Gujarat at Ahmedabad. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib District in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB). The Company was awarded the authorisation for City Gas Distribution in the geographical areas of Namakkal and Tiruchirappalli Districts in the State of Tamil Nadu in March, 2022 and has started supplying natural gas in this geographical area also.

The registered office of the Company is located at 4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Ahmedabad - 380054, Gujarat.

## 2. Basis of Preparation & Measurement

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

## 3. Summary of Material accounting policies

### 3.1 Statement of compliance

The Standalone Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### 3.2 Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit & other long-term employee benefits.

### 3.3 Current vs Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- The asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
- The asset is intended for sale or consumption;
- The asset/liability is held primarily for the purpose of trading;
- The asset/liability is expected to be realised/settled within twelve months after the reporting period.
- The asset is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- In case of liability, the Company does not have unconditional right to defer the Settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and time between acquisition of assets for processing and their realisation in cash and cash equivalents

### 3.4 Use of estimates and Judgements

The preparation of Standalone Financial Statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these Standalone Financial Statements are disclosed below.

The preparation of Standalone Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the Standalone Financial Statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

When preparing the Standalone Financial Statements, management undertakes a number of judgments, estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

- (i) **Income Taxes:** Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.
- (ii) **Property, plant & equipment:** Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.
- (iii) **Employee Benefits:** Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.
- (iv) **Impairment of assets & investments:** Significant judgment is involved in determining the estimated future cash flows from the investments, Property, Plant & Equipment & Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.
- (v) **Deferred Tax:** Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.
- (vi) **Recognition & measurement of unbilled gas sales revenues:** In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The

actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.

- (vii) **Recognition & measurement of other provisions:** The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.
- (viii) **Provision on receivables/advances:** The Company has a defined policy for provision of receivables which is based on the ageing of receivables. The Company reviews the policy at regular intervals.
- (ix) **Provision for Inventory including Capital Inventory:** The Company has a defined policy for provision of slow and non-moving inventory based on the ageing of inventory. The Company reviews the policy at regular intervals.
- (x) **Fair value measurement of financial instruments:** In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## 3.5 Property, Plant & Equipment

- (i) Freehold land is carried at historical cost.
- (ii) Property, Plant and Equipment other than land are stated at cost of acquisition / construction less accumulated depreciation and impairment losses, if any.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project which includes freight, duties & taxes (to the extent credit is not available), other incidental expenses relating to acquisition and installation and pre-operative expenses. These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses incurred towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

- (iii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/ construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

- (iv) Depreciation is provided as follow:

- Depreciation is charged on a pro-rata basis on the straight line method ('SLM') as prescribed in Schedule II to the Companies Act, 2013 which are in line with their estimated useful life, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets 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 etc.

The estimated Useful life of Asset is below

Name of Asset	Useful life
Building	25 Years
Computer and Laptops	3 Years
Plant and Machinery- Pipelines and Last Mile Connectivity	25 Years
Plant and Machinery- CNG Stations Equipments and Installations	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Vehicles	5 Years
Software	5 Years

- o The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful life.
- o For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.
- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- Depreciation on additions to Property, Plant and Equipment made during the period having cost of ₹ 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.
- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.
- The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised. (Cross Reference Note Impairment)

(v) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

Useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

### 3.6 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

### 3.7 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers in its capacity as agent.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no

significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/ fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT), Goods & Service Tax And is net of trade discounts or quantity discounts.

Unbilled revenue is recognised from the end of the last billing cycle to the Balance Sheet date since the related supply of natural gas are performed

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as an when the Company receives the amount from such customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under the head "Deposit from Customers" in the balance sheet.

Interest income is reported on an accrual basis using the effective interest method.

Dividends Income from investment is recognised at the time the right to receive payment is established.

### 3.8 Borrowing Costs

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time (i.e. twelve months or more) to get ready for their intended use or sale.

Transaction cost in respect of long-term borrowings are amortised over the tenor of respective loan.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

### 3.9 Impairment of Property, Plant & Equipment & Intangible Assets and investment in associated

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

### 3.10 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method. Where Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition and Net Realisable Value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the company.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

### 3.11 Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks 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 equivalents include short-term deposits with an original maturity of three months or less from the date of acquisition.

### 3.12 Accounting for Income Taxes

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

- (i) 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 & liabilities attributable to temporary differences & 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 i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. 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.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

- (ii) Deferred Tax is provided in full on temporary difference arising between the tax bases of the assets & liabilities & their carrying amounts in Standalone Financial Statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income & accounting income that originate in one period & are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses & the carry forward of unused tax credits.

Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax Assets are recognised for all deductible temporary differences & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

by way of credit to the statement of profit & loss & shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date & reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date & are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## 3.13 Leases

### The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of an initial application date i.e. 1 April 2019. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

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 ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease Consolidated. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## 3.14 Employee Benefits

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting & 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.

### (i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Company does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## (ii) Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is computed at the end of each financial year on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds.

The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at 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 discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

- Service costs comprising current service costs, past-service costs, gains & losses on curtailments & non-routine settlements;
- Net interest expense or income.

## (iii) Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

## 3.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 41.

## 3.16 Provisions, Contingent Liabilities & Contingent Assets

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

## 3.17 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit 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 & item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

## 3.18 Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the Standalone Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change & commitment affecting the financial position are disclosed in the Directors' Report.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 3.19 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## 3.20 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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

### a. Financial Assets

#### (i) Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

#### (ii) Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

#### (iii) Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

#### **Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as

consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

#### **Financial Assets at amortised cost**

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### **Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)**

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

## Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

## Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

## Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### iii. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-

through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

## Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

## b. Financial Liabilities

### i. Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of amortised cost, net of directly attributable transaction costs.

### ii. Subsequent measurement

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

#### Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the Ind AS 109 are satisfied. For liabilities designated

as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the P&L. However, the Company may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

### iii. Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

## c. Modifications of financial assets and financial liabilities

### Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The gain / loss is recognised in other equity in case of transaction with shareholders.

### Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

## 3.21 Fair Value Measurements

These Standalone Financial Statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the

use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets & liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**3.22** The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Million Indian Rupees. Items reflecting as 0.00 denotes value less than ₹ 5000.

**3.23** Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

The company adopted Disclosure of Accounting (amendment to Ind AS 1) from April 1, 2023. Although the amendment did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the standalone financial statement.

The amendment requires the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the standalone financial statement.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 4.1 Property, Plant and Equipment (PPE)

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2022</b>	<b>22.14</b>	<b>151.66</b>	<b>2957.13</b>	<b>14.68</b>	<b>18.5</b>	<b>20.67</b>	<b>28.28</b>	<b>3213.06</b>
Addition	37.60	66.27	819.71	6.50	3.37	2.94	13.62	950.03
Disposal/Adjustments/ Transfer	-	-	(5.05)	-	-	-	-	(5.05)
<b>Balance as on March 31, 2023</b>	<b>59.75</b>	<b>217.92</b>	<b>3,771.79</b>	<b>21.18</b>	<b>21.87</b>	<b>23.61</b>	<b>41.91</b>	<b>4158.04</b>
Addition	164.41	227.33	1,564.53	8.66	0.77	0.17	18.36	1,984.23
Disposal/Adjustments/ Transfer	-	-	-	-	-	-	-	-
<b>Balance as on March 31, 2024</b>	<b>224.16</b>	<b>445.24</b>	<b>5,336.33</b>	<b>29.84</b>	<b>22.64</b>	<b>23.78</b>	<b>60.27</b>	<b>6,142.26</b>

### Depreciation and Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2022</b>	<b>-</b>	<b>16.51</b>	<b>325.75</b>	<b>6.31</b>	<b>3.84</b>	<b>1.86</b>	<b>10.6</b>	<b>364.88</b>
Addition	-	7.49	159.42	4.48	2.00	4.04	6.96	184.42
Disposal/Adjustments/ Transfer	-	-	(1.38)	-	-	-	-	(1.38)
<b>Balance as on March 31, 2023</b>	<b>-</b>	<b>24.00</b>	<b>483.78</b>	<b>10.78</b>	<b>5.84</b>	<b>5.90</b>	<b>17.57</b>	<b>547.89</b>
Addition	-	10.49	204.54	6.33	2.19	4.70	9.72	237.97
Disposal/Adjustments/ Transfer	-	-	-	-	-	-	-	-
<b>Balance as on March 31, 2024</b>	<b>-</b>	<b>34.49</b>	<b>688.32</b>	<b>17.11</b>	<b>8.03</b>	<b>10.60</b>	<b>27.30</b>	<b>785.84</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2023</b>	<b>59.75</b>	<b>193.92</b>	<b>3,288.02</b>	<b>10.40</b>	<b>16.03</b>	<b>17.71</b>	<b>24.33</b>	<b>3610.15</b>
<b>Balance as on March 31, 2024</b>	<b>224.16</b>	<b>410.75</b>	<b>4,648.01</b>	<b>12.74</b>	<b>14.61</b>	<b>13.18</b>	<b>32.98</b>	<b>5,356.42</b>

### Note :

- (i) For charges created on aforesaid assets, refer note 17
- (ii) The Company has not revalued any item of property, plant and equipment (including right-of-use assets) or intangible assets during the current and previous year
- (iii) Refer note 36 for Related Party Balances

## 4.2 Capital Work-in-Progress (project under construction)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Balance as on March 31, 2023	823.48	81.86	0.17	5.34	910.85
Balance as on March 31, 2024	605.34	188.30	68.74	5.51	867.89

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## Note:

- (i) Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to ₹ 164.23 million ( 31st March, 2023: ₹ 55.99 million)
- (ii) Refer note 36 for Related Party Balances
- (iii) For charges created on aforesaid assets, refer note 17
- (iv) There are no Projects as at reporting date which has exceeded cost as Compared to its Original Approved Plan. The Company Follows Practice of Seeking approval for annual capital expenditure plan for each of the geographical /Projects areas.
- (v) Refer Note 38(B) for the Capital Commitments.

## 4.3 Intangible assets

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2022</b>	<b>10.54</b>	<b>31.15</b>	<b>41.70</b>
Addition	2.26	13.00	15.25
Disposal / Adjustments / Transfer	-	-	-
<b>Balance as on March 31, 2023</b>	<b>12.80</b>	<b>44.15</b>	<b>56.95</b>
Addition	1.66	6.96	8.61
Disposal / Adjustments / Transfer	-	-	-
<b>Balance as on March 31, 2024</b>	<b>14.46</b>	<b>51.10</b>	<b>65.56</b>

### Depreciation and Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2022</b>	<b>3.48</b>	<b>11.68</b>	<b>15.16</b>
Addition	1.30	6.84	8.14
Disposal/Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2023</b>	<b>4.77</b>	<b>18.52</b>	<b>23.30</b>
Addition	0.97	9.76	10.73
Disposal/Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2024</b>	<b>5.74</b>	<b>28.29</b>	<b>34.03</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2023</b>	<b>8.03</b>	<b>25.63</b>	<b>33.65</b>
<b>Balance as on March 31, 2024</b>	<b>8.71</b>	<b>22.82</b>	<b>31.53</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 4.4 Right to Use Assets

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2022</b>	<b>60.86</b>	<b>36.67</b>	<b>56.31</b>	<b>153.84</b>
Addition	48.18	-	1.24	49.43
Disposal/Adjustments/ Transfer				
<b>Balance as on March 31, 2023</b>	<b>109.04</b>	<b>36.67</b>	<b>57.54</b>	<b>203.26</b>
Addition	39.51	-	-	39.51
Disposal/Adjustments/ Transfer"				
<b>Balance as on March 31, 2024</b>	<b>148.56</b>	<b>36.67</b>	<b>57.54</b>	<b>242.77</b>

### Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2022</b>	<b>16.24</b>	<b>0.61</b>	<b>7.55</b>	<b>24.41</b>
Addition	7.23	7.45	1.76	16.43
Disposal/Adjustments/ Transfer				
<b>Balance as on March 31, 2023</b>	<b>23.47</b>	<b>8.06</b>	<b>9.31</b>	<b>40.84</b>
Addition	6.27	8.80	0.96	16.03
Disposal/Adjustments/ Transfer				
<b>Balance as on March 31, 2024</b>	<b>29.74</b>	<b>16.86</b>	<b>10.27</b>	<b>56.87</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2023</b>	<b>85.57</b>	<b>28.61</b>	<b>48.23</b>	<b>162.41</b>
<b>Balance as on March 31, 2024</b>	<b>118.81</b>	<b>19.81</b>	<b>47.27</b>	<b>185.90</b>

## 5 Investments

### 5A Non Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Unquoted Investment in Equity Instruments of Associate Entity (measured at amortised cost)</b>		
- 25,82,016 Equity Shares (Including 8,60,672 bonus shares) of ₹ 10 each fully paid of Farm Gas Private limited (31st March, 2023: 17,21,344) (Farm Gas Private Limited incorporated in india ,Operating in City Ludhiana (Punjab State))	17.21	17.21
- 10,50,800 Equity Shares of ₹ 10 each fully paid of Venuka Polymers Private limited (31st March, 2023: 10,50,800) (Venuka Polymers Private Limited incorporated in india ,Operating in City Vadodara (Gujarat state))	10.51	10.51

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
- 50,000 Equity Shares of ₹ 10 each fully paid of Ni- Hon Cylinders Private limited (31st March, 2023: 50,000) (Ni-Hon Cylinders Private Limited incorporated in india ,Operating in City Delhi)	0.50	0.50
<b>(ii) Unquoted Investment in Equity Instruments of Subsidiary (measured at amortised cost)</b>		
- 35,000 Equity Shares of ₹ 10 each fully paid of SKI Clean Energy Private limited (31st March, 2023: 50,000) (SKI Clean Energy Private Limited incorporated in india, Operating in City Ahmedabad)	0.35	0.35
<b>(iii) Unquoted Investment in Preference Shares of Associate Entity (measured at amortised cost)</b>		
- 44,50,000 Units, 10.50% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid of Farm Gas Private limited (31st March, 2023: 44,50,000) (Farm Gas Private Limited incorporated in india, Operating in City Ludhiana (Punjab State))	44.50	44.50
- 42,10,200 Units 10.50% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid of Venuka Polymers Private Limited (31st March, 2023: 42,10,200) (Venuka Polymers Private Limited incorporated in india ,Operating in City Vadodara (Gujarat state))	42.10	42.10
	<b>115.17</b>	<b>115.17</b>

## 5B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unquoted Investment in Units of Mutual Fund (Carried at FVTPL)</b>		
Union Medium Duration Fund 4,48,477 units (31st March, 2023: 4,48,477)	5.24	4.90
Baroda BNP Paribas Flexi cap fund- Regular plan- Growth 19,99,890 units (31st March, 2023: 19,99,890)	27.04	19.33
Baroda BNP Paribas Multi Asset Fund Regular Growth 20,99,885 units (31st March, 2023: 20,99,885)	26.97	20.99
Union Corporate Bond Fund Regular Plan Growth 21,99,131 units (31st March, 2023: 18,16,726)	30.33	23.40
Union Business cycle Fund - Regular Growth 2,49,977 units (31st March, 2023: Nil )	2.53	-
Union Innovation and Opportunities fund- Reg Growth 9,99,940 units (31st March, 2023: Nil)	11.13	-
Union Multi cap- Regular Plan - Growth 2,49,977 units (31st March, 2023: 2,49,977)	3.34	2.34
Baroda BNP Paribas Small Cap Fund Regular Growth 4,99,965 units (31st March, 2023: Nil)	5.71	-
Baroda BNP Paribas Innovation fund Regular Growth 39,99,790 units (31st March, 2023: Nil)	41.17	-
Baroda BNP Paribas Liquid fund - Regular Plan-Growth Nil (31st March, 2023: 39,211.65 Units)	-	100.79
Baroda BNP Paribas Overnight Fund- Regular Plan-Growth Nil (31st March, 2023: 42,573.33 Units)	-	50.01
Union Overnight Fund Growth Nil (31st March, 2023: 42,536 Units)	-	50.01
Union liquid Fund Growth Nil (31st March, 2023: 88,882 Units)	-	190.91
Union Liquid Fund - Direct -Growth	-	2.56

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Nil (31st March, 2023: 1181 Units)		
Baroda Business Cycle Fund	-	49.88
Nil (31st March, 2023: 50,75,801 Units)		
Union Flexi Cap Fund	-	4.71
Nil (31st March, 2023: 1,46,033 Units)		
Union Focused Fund	-	4.08
Nil (31st March, 2023: 2,37,661 Units)		
Union Hybrid Equity Fund	-	15.27
Nil (31st March, 2023: 12,49,937 Units)		
Union Large & Midcap Fund	-	4.07
Nil (31st March, 2023: 2,57,001 Units)		
	<b>153.46</b>	<b>543.25</b>
<b>Aggregate amount of Unquoted Investments in Units of Mutual Funds</b>	<b>132.98</b>	<b>541.34</b>
<b>Aggregate Increase/(diminution) in the value of Unquoted Investments in Units of Mutual Funds</b>	<b>20.48</b>	<b>1.91</b>

# 16,18,068 units are under lien with Bank for LC/BG issuance ( Union Corporate Bond Fund Regular Plan - Growth)

## 6 Financial asset- Non-current

### 6A Loans

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to Related Parties - Secured	-	74.90
Employee Loan	5.08	0.74
	<b>5.08</b>	<b>75.64</b>

Refer Note 12 for the Loan to related party is transferred From Non Current financial assets to Current financial assets.

Refer note 36 for Related Party Balances

### 6B Other financial assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit - Unsecured	60.09	26.04
Bank Balances		
Balance in FDR Accounts*	29.01	84.00
*The Company has issued Bank Guarantees in favour of PNGRB during normal course of business. Such Bank Guarantees are issued by the Banks against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of more than 12 months.		
	<b>89.10</b>	<b>110.04</b>

Refer note 36 for Related Party Balances

## 7 Other non-current assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances [Unsecured, considered good]	288.74	331.38
Unamortised expenses - Borrowing Cost under EIR	24.02	17.46
Prepaid Expenses	60.22	55.29
	<b>372.98</b>	<b>404.13</b>

Refer note 36 for Related Party Balances

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 8 Income Tax Asset (Net)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provision)	19.61	42.26
	<b>19.61</b>	<b>42.26</b>

## 9 Inventories (measured at lower of cost or net realisable value)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Natural Gas	27.57	9.52
Spares and Consumables	15.28	9.77
	<b>42.85</b>	<b>19.29</b>

Note : Inventories are hypothecated to secure working capital facilities from bank.

## 10 Current financial assets : Trade receivables

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good (secured against security deposits))	266.05	288.20
Unsecured, considered good (Others)	101.86	98.02
Secured, considered good - credit impaired	0.20	-
	<b>368.11</b>	<b>386.22</b>
Less: Allowances for Expected Credit Loss ("ECL")	(0.20)	-
	<b>367.91</b>	<b>386.22</b>

Refer Note 17 on borrowings for details in terms of pledge of assets as security.

Refer note 36 for Related Party Balances

## Trade Receivables Ageing Schedule as on 31.03.2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	45.97	267.25	4.69	13.40	27.86	8.70	0.04	367.91
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	0.20	-	-	-	-	0.20
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
	<b>45.97</b>	<b>267.25</b>	<b>4.89</b>	<b>13.40</b>	<b>27.86</b>	<b>8.70</b>	<b>0.04</b>	<b>368.11</b>
Less: Allowances for Expected Credit Loss ("ECL")								(0.20)
<b>Total</b>								<b>367.91</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 10 Current financial assets : Trade receivables (Contd..)

### Trade Receivables Ageing Schedule as on 31.03.2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	25.10	243.31	117.53	0.27	-	0.01	-	386.22
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
	<b>25.10</b>	<b>243.31</b>	<b>117.53</b>	<b>0.27</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>386.22</b>
Less: Allowances for Expected Credit Loss ("ECL")								-
<b>Total</b>								<b>386.22</b>

## 11 Current financial assets

### 11A Cash and cash equivalents

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with banks		
Balance in Current Accounts	676.32	218.06
(b) Cash on hand	1.01	0.65
(c) Fixed Deposit Less than 3 Months Maturity	1,900.59	268.14
	<b>2,577.92</b>	<b>486.85</b>

There is no restriction with regard to cash and cash equivalents as the end of reporting year and previous year

### 11B Bank balances other than above

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a) Margin Money deposits under lien against DSRA, Bank Guarantee and/or Stand By Letter of Credit (SBLC)*</b>	527.97	444.53
*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 3 months to 12 months. Further, as per the financing document, the Company has also created Debt Service Reserve Account as Fixed Deposit with the Bank.		
<b>(b) Fixed Deposit with tenor between 3 months to 12 months (unlien)</b>	1,771.89	53.39
	<b>2,299.86</b>	<b>497.92</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 12 Loans

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to Related Parties - Secured	74.90	-
Employee Loan	9.70	0.98
	<b>84.60</b>	<b>0.98</b>

Type of Borrower	Amount	% of Total Loans and Advances	Terms of Repayment and Interest rate
Joint Control entities	74.90	89%	The Loan is secured against charge on current asset incl. receivables and cashflow of the Company. The Loan carries interest of 10.50% p.a. and is repayable on July 31, 2024

Note 1 : The Above loans has been given for the business purpose.

Note 2 : Refer Note 6A for the Loan to related party is transferred From Non Current financial assets to Current financial assets.

Note 3 : Refer note 36 for Related Party Balances

## 13 Other Current financial assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Receivable	34.60	18.44
Deposit - Current	18.46	18.68
Imprest amount with Employees	0.36	0.76
Other Receivable	19.24	-
	<b>72.66</b>	<b>37.88</b>

Refer note 36 for Related Party Balances

## 14 Other current assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Suppliers (Unsecured, Considered good)	145.49	164.12
Unamortised expenses - Borrowing Cost under EIR	1.90	-
IPO Expenses*	-	90.37
Prepaid Expense	25.33	29.17
	<b>172.72</b>	<b>283.66</b>

\*The Company has successfully completed the Initial Public Offering of its equity shares. Consequent to the same, IPO expnese are accounted as share Issue Cost and Transfer to Securities Premium.

Refer note 36 for Related Party Balances

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 15 Share capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised :</b>		
5,00,00,000 Equity Shares of ₹10/- Each ( as at 31st March, 2023: 5,00,00,000 shares)	500.00	500.00
4,00,00,000 Preference Shares of ₹10/- Each ( as at 31st March, 2023: 4,00,00,000 shares)	400.00	400.00
	<b>900.00</b>	<b>900.00</b>
<b>Issued, Subscribed and Fully Paid-up Equity Shares :</b>		
<b>Equity shares</b>		
4,10,59,677 Equity Shares of ₹10/- each (as at 31st March, 2023: 3,02,59,677 shares)	410.60	302.60
<b>Preference shares</b>		
10% Redeemable Preference Shares 3,49,99,432 shares of ₹ 10/- each (as at 31st March, 2023: 3,49,99,432 shares)	-	-
	<b>410.60</b>	<b>302.60</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A(i) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period / year		
- Number of shares	30,259,677.00	29,369,677.00
- In ₹ Million	302.60	293.70
Change during the period / year		
- Number of shares	10,800,000.00	890,000.00
- In ₹ Million	108.00	8.90
At the end of the period / year		
- Number of shares	41,059,677.00	30,259,677.00
- In ₹ Million	410.60	302.60
<b>A(ii) Reconciliation 10% Non Cumulative Redeemable Preference Shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period / year		
- Number of shares	34,999,432.00	34,999,432.00
- In ₹ Million	349.99	349.99
Change during the period / year		
- Number of shares	-	-
- In ₹ Million	-	-
At the end of the period / year		
- Number of shares	34,999,432.00	34,999,432.00
- In ₹ Million	349.99	349.99
<b>B Details of shareholders holding more than 5% shares in the Company and details of shares held by promoters:</b>		
<b>i) Equity Shares</b>		
Cadila Pharmaceuticals Ltd (Promoter)		
- Number of shares	14,978,535.00	14,978,535
- % Holding	36.48%	49.50%
- Change during period	-26.30%	-1.50%
Dr. Rajiv I. Modi (Trustee of IRM Trust) (Promoter)		
- Number of shares	5,580,238.00	5,580,238
- % Holding	13.59%	18.44%
- Change during period	-26.31%	-0.56%
Enertech Distribution Management Pvt. Ltd.		

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
- Number of shares	8,670,126.00	8,670,126
- % Holding	21.12%	28.65%
- Change during period	-26.29%	-0.87%
<b>ii) 10% Non Cumulative Redeemable Preference Shares</b>		
Cadila Pharmaceuticals Ltd (Promoter)		
- Number of shares	34,999,432.00	34,999,432.00
- % Holding	100.00%	100.00%
- Change during period		

## C Terms / rights attached to equity shares:

### (i) Equity Shares:

The company has only one class of equity shares having par value of ₹ 10 per share. Equity shareholders are entitled to one vote per share held. The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

### (ii) Redeemable Non- Cumulative Preference Shares (RPS):

The preference shares carries redemption period of 10 years from the date of issuance. The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

## 16 Reserves and surplus

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Equity</b>		
<b>A. Retained Earnings</b>		
Opening balance	2,286.78	1,736.65
Add: Transfer from statement of profit and loss	915.05	564.80
Less: Dividend Paid	(50.13)	(14.68)
Less: Items routed through SOCIE	-	-
<b>Closing balance</b>	<b>3,151.71</b>	<b>2,286.77</b>
<b>B. Equity Component of Preference Shares (refer note iii below)</b>		
i) OCCPS (Optionally Convertible Cumulative Preference Shares)		
Opening Balance	0.24	0.24
Equity Component of OCCPS	-	-
<b>Closing Balance</b>	<b>0.24</b>	<b>0.24</b>
ii) Non Cumulative Redeemable Preference Shares		
Opening Balance	210.81	210.81
Equity Component of non-cumulative redeemable preference shares	-	-
<b>Closing Balance</b>	<b>210.81</b>	<b>210.81</b>
<b>Closing balance (i+ii)</b>	<b>211.05</b>	<b>211.05</b>
<b>C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect</b>		
Opening Balance	(1.15)	(0.52)
Remeasurement of the net defined benefit liability/asset, net of tax effect*	(0.16)	(0.63)
<b>Closing balance</b>	<b>(1.31)</b>	<b>(1.15)</b>
<b>D. Securities Premium</b>		
Opening Balance	456.34	54.28
Addition during the year	5,341.96	403.73
Less: Transaction cost on issue of share (net of tax benefit)	(403.04)	(1.67)
<b>Closing Balance</b>	<b>5,395.26</b>	<b>456.34</b>
<b>Total Reserves</b>	<b>8,756.69</b>	<b>2,953.01</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 16 Reserves and surplus (Contd..)

### Notes:

- Security premium represents the premium received on issue of shares over and above the face value of Equity Shares. Such amount is available for utilization in accordance of the Provisions of the Companies Act, 2013
- The portion of profits not distributed among the shareholders are termed as Retained Earnings. The Group may utilize the retained earnings for making investments for future growth and expansion plans or any other purpose as approved by the Board of Directors of the Company.
- This reserve represents the cumulative gains and losses arising on the remeasurement of equity investments measured at fair value through other comprehensive income.

## 17 Non- current financial liabilities : Borrowings

### 17A Non-Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured (carried at amortized cost)</b>		
Rupee Term loans from banks	270.00	1,560.02
Vehicle Loan	8.03	9.79
<b>Unsecured</b>		
Term loans from banks	631.25	1,050.00
<b>Preference shares</b>		
liability component 10% Non cumulative Redeemable Preference Shares of ₹ 10/- each	222.42	202.15
	<b>1,131.70</b>	<b>2,821.96</b>

### 17B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured (carried at amortized cost)</b>		
Rupee Term loans from banks		
Current Maturities of Non Current Borrowings	161.25	214.80
Working Capital Loan from Banks	99.85	-
Vehicle Loan	1.75	1.59
<b>Unsecured</b>		
Current Maturities of Non current borrowings	710.45	-
	<b>973.30</b>	<b>216.39</b>

### (A) Details of Secured loans

#### From Banks

Particulars	Terms of Repayment and Interest rate
Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda , Union Bank of India and Punjab National Bank)	1st Tranche: 20 quaterly installments from April, 2023 2nd Tranche: 20 quaterly installments from April, 2027 and Interest rate applicable is 1 year MCLR + 0.75%.
Unsecured Loan from HDFC Bank Limited: To meet the Capex Requirement of the company	20% of the term Loan is repayable in the Second Year and Balanced 80% of the Term Loan is Repayable in the Third Year and Interest rate applicable is 3 months T - Bill + 1.79%
Unsecured Loan from Kotak Bank Limited: To meet the Capex Requirement of the company	1st Tranche: Loan shall Be Repaid by way of 8 Equal Installments starting From 15 th Month Following The Month Of First Disbursement and Interest Rate applicable is 3 Month MCLR +0.10% 2nd Tranche: Loan shall Be Repaid by way of 8 Equal Installments starting From 12 th Month Following The Month Of First Disbursement and Interest Rate applicable is 3 Month MCLR +0.10%

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Terms of Repayment and Interest rate
Overdraft : to meet the working capital Requirement in Geographical area of Banaskhadha and Fatehgarh sahib	Repayable in 12 months from the date of Disbursement and interest rate applicable is 8.90%.
Vehicle Loans (Union Bank of India)	Repayable in 84 Equivalent Monthly Installments and interest rate linked to 3 month EBLR + 0.60%

## (B) The details of security given for all loans are as under :

### (i) The Rupee Term Loan is secured as below:

- First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- Exclusive charge on DSRA created for the specific project.
- First charge on the Trust and Retention Account of the specific project on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

### (ii) The Working Capital is secured as below:

- Second Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

### (iii) The Vehicle Loans are secured by Charge on Vehicle.

### (iv) There is no default in repayment of loan and interest thereon as on 31st March 2024 and 31 March, 2023

### (v) The Gross book value of the fixed assets as on March 31, 2024 charged in favour of the lenders is ₹ 7075.71 million ( March 31, 2023 ₹ 5125.84 million)

### (vi) For more security details on bank financing, refer Note - 39

### (vii) The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.

## 18 Non-Current Liabilities : Lease Liabilities

### 18A Non-Current Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	177.98	150.71
	<b>177.98</b>	<b>150.71</b>

### 18B Current Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	11.29	8.54
	<b>11.29</b>	<b>8.54</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 19 Current financial liabilities : Trade payables

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Total outstanding dues of micro enterprises and small enterprises:-</b>		
Trade Payables : Micro and Small enterprises	32.85	1.85
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises:-</b>		
Trade payables - Gas Purchase / Transmission	222.24	237.73
Trade payables - Others	37.92	71.97
	<b>293.01</b>	<b>311.55</b>

### Trade Payables Ageing Schedule as on 31.03.2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Not Due	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	23.55	8.45	0.84	0.01	-	32.85
(ii) Others	252.12	6.18	1.54	0.30	0.02	260.16
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

### Trade Payables Ageing Schedule as on 31.03.2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Not Due	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	1.84	-	0.01	-	-	1.85
(ii) Others	309.04	0.34	0.30	0.02	-	309.70
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Refer note 36 for Related Party Balances

### Disclosure required under micro, small & medium enterprises development act, 2006 (the act) are as follows:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	32.65	1.85
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.20	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due & 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 Micro, Small & Medium Enterprises Development Act, 2006	-	-

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 19 Current financial liabilities : Trade payables (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
(v) The amount of interest accrued & remaining unpaid at the end of the accounting year	0.20	-
(vi) The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	0.20	-

Note: Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

## 20 Other financial liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
Customer Security Deposit	325.21	273.70
Creditors for Capital Goods	78.89	81.37
	<b>404.10</b>	<b>355.07</b>
<b>Current</b>		
Creditors for Capital Goods	333.09	197.22
provision for Expenses	45.28	182.90
	<b>378.37</b>	<b>380.12</b>

Refer note 36 for Related Party Balances

## 21 Provisions

### 21A Non-Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Gratuity	9.99	13.72
Provision for Compensated Absences	9.15	-
	<b>19.14</b>	<b>13.72</b>

### 21B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Gratuity	0.44	0.55
	<b>0.44</b>	<b>0.55</b>

Refer note 33 for Gratuity and Compensated Absences

## 22 Current liabilities : Others

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	34.99	20.92
	<b>34.99</b>	<b>20.92</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 23 Deferred Tax Liabilities (net)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	224.05	185.22
	<b>224.05</b>	<b>185.22</b>

### A The gross movement in the deferred tax account are as follows :

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Net deferred tax asset/ (liability) at the beginning of the period / year	185.22	147.12
<b>Deferred Tax Liabilities</b>		
Property, plant and equipment & Intangible assets	96.61	49.86
	<b>(a) 96.61</b>	<b>49.86</b>
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	1.33	1.14
Preliminary Expenses (IPO Expenses)	48.89	-
Lease Liability	7.55	10.62
	<b>(b) 57.77</b>	<b>11.76</b>
	<b>Net (a-b) 38.84</b>	<b>38.10</b>
<b>Net deferred tax asset/ (liability) at the end of the period / year</b>	<b>224.05</b>	<b>185.22</b>

### B Movement in Deferred Tax Liability(net) for the year Ended March 31,2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	As at April 1,2023	Recognised in P & L	Recognised in OCI	As At March 31,2024
<b>Tax effect of items constituting deferred tax liabilities:</b>	-			
Property, Plant and Equipment, Other Intangible assets and Right-of-Use Assets	49.86	46.75	-	96.61
<b>TOTAL</b>	<b>49.86</b>	<b>46.75</b>	<b>-</b>	<b>96.61</b>
<b>Tax effect of items constituting deferred tax asset:</b>	-			
Employee Benefit Liability	1.14	0.14	0.05	1.33
Allowance for credit losses*	-	0.00	-	-
Lease Liability	10.62	(3.07)	-	7.55
Preliminary Expenses (IPO Expenses)	-	48.89	-	48.89
<b>TOTAL</b>	<b>11.76</b>	<b>45.96</b>	<b>0.05</b>	<b>57.77</b>
<b>Net Deferred Tax Liability</b>	<b>38.10</b>	<b>0.79</b>	<b>(0.05)</b>	<b>38.84</b>

\*Denotes less than ₹ 5000

### Movement in Deferred Tax Liability(net) for the year Ended March 31,2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	As at April 1,2022	Recognised in P & L	Recognised in OCI	As At March 31,2023
<b>Tax effect of items constituting deferred tax liabilities:</b>	-			
Property, Plant and Equipment, Other Intangible assets and Right-of-Use Assets	69.52	(19.66)	-	49.86
<b>TOTAL</b>	<b>69.52</b>	<b>(19.66)</b>	<b>-</b>	<b>49.86</b>
<b>Tax effect of items constituting deferred tax asset:</b>	-			
Employee Benefit Liability	0.67	0.26	0.21	1.14
Lease Liability	15.31	(4.69)	-	10.62
<b>TOTAL</b>	<b>15.98</b>	<b>(4.43)</b>	<b>0.21</b>	<b>11.76</b>
<b>Net Deferred Tax Liability</b>	<b>53.54</b>	<b>(15.23)</b>	<b>(0.21)</b>	<b>38.10</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 24 Revenue from Operations

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Sale of Goods		
CNG Sales (including Excise Duty)	5,382.29	4,722.84
PNG Sales	4,137.09	5,629.64
Sale of Services		
Connection Income	37.98	31.71
Other Operating Revenues	8.04	7.16
	<b>9,565.40</b>	<b>10,391.35</b>

Refer note 36 for Related Party Balances

## 25 Other Income

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Gain on remeasurement of Mutual Funds	18.56	0.52
Profit on sale of Mutual Fund	32.93	2.08
Corporate Guarantee Commission-Income	7.51	-
Rent Income	0.09	-
Profit on Sale of Asset	-	0.18
Other Income	0.08	-
Interest Income		
Bank Fixed Deposit	155.41	37.80
Others	23.61	19.06
	<b>238.19</b>	<b>59.64</b>

Refer note 36 for Related Party Balances

## 26 Purchases of stock-in-trade of natural gas

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Natural Gas	6,483.28	7,795.27
	<b>6,483.28</b>	<b>7,795.27</b>

Refer note 36 for Related Party Balances

## 27 Changes in inventories of Natural Gas

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Changes in inventories of finished goods, stock in trade and work in progress</b>		
<b>Natural Gas</b>		
Inventory at the beginning of the year	9.52	12.02
Less: Inventory at the end of the year	27.57	9.52
	<b>(18.05)</b>	<b>2.50</b>

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 28 Employee Benefits Expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages and bonus	98.26	76.93
Company's contribution to provident and other funds	10.72	7.25
Staff welfare expenses	14.89	6.65
	<b>123.87</b>	<b>90.83</b>

Refer note 36 for Related Party Balances

## 29 Finance Costs

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest Cost on		
- Term Loan	143.80	121.06
- Working Capital	2.79	3.91
- Preference Shares	20.27	18.38
- Lease Liability (refer Note 45)	20.49	14.17
- Others	13.00	22.12
Bank and Other Finance Charges	66.61	49.39
	<b>266.96</b>	<b>229.03</b>

## 30 Depreciation and Amortisation expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation of tangible assets (refer note 4.1)	248.71	184.40
Amortisation of intangible assets (refer note 4.4)	16.03	24.56
	<b>264.74</b>	<b>208.96</b>

## 31 Other Expenses

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Advertisement and Marketing Expenses	35.11	16.70
Business Promotion Expenses	3.22	3.40
Corporate Social Responsibility Expense (refer Note - 40)	18.55	15.60
Consumption of Spares and Consumables	13.03	2.79
Director's Sitting Fees	4.93	4.88
Transportation Charges	307.06	293.03
Insurance Cost	8.47	7.80
Legal and Professional Charges	23.74	18.84
License Fees	42.89	35.10
Managerial Remuneration	12.36	7.32
Power and fuel	125.21	100.95
Rent (refer note 45)	14.85	9.83
Repairs and Maintenance		
- Buildings	0.18	0.10
- Plant and Machineries	150.91	156.68
- Others	0.86	3.20
Security Expense	9.61	6.94
Travelling, Lodging and Boarding	21.07	15.29

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 31 Other Expenses (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Allowance For Expected Credit Losses	0.20	-
Rates and Taxes	1.72	7.05
Miscellaneous expenses	33.44	84.02
	<b>827.42</b>	<b>789.52</b>

## 31A Payments to auditor\*

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
For Statutory Audit (Incl GST)	1.42	1.42
For Tax Audit (Incl GST)	0.29	0.29
For Certification & other reimbursements (incl. GST)**	2.35	4.20

\*Included in Legal and Professional Charges

\*\* Includes expenses for IPO related services i.e. Rs. 1.92 Millions for FY 23-24 and Rs. 3.98 Millions for FY 22-23.

## 32 Tax Expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Corporate Tax- Current	192.33	141.29
Deferred Tax (refer Note - 23)	87.77	38.32
	<b>280.10</b>	<b>179.60</b>

## A Reconciliation of Income Tax Expense with Accounting Profit

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Profit before Tax as per statement of Profit and Loss</b>	1,195.14	744.42
Income tax using the Company's domestic tax rate 25.17%	300.79	187.36
<b>Tax Effect of :</b>		
Expenses not deductible for tax purposes	55.51	63.05
Others	(76.21)	(70.80)
<b>Income Tax recognised in statement of profit and loss at effective rate</b>	<b>280.10</b>	<b>179.60</b>

## 33 Employee Benefits:

### (i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

### (ii) Long term employee benefits

#### (a) Gratuity (Unfunded):

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 the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 33 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Table Showing Change in the Present Value of Projected Benefit Obligation:</b>		
Present Value of Benefit Obligation at the Beginning of the Period	7.85	5.25
Interest Cost	0.59	0.38
Current Service Cost	2.19	1.45
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.41)	(0.07)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.33	(0.21)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.12)	1.05
Present Value of Benefit Obligation at the End of the Period	10.43	7.85
<b>Table Showing Change in the Fair Value of Plan Assets:</b>		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
<b>Amount Recognized in the Balance Sheet:</b>		
(Present Value of Benefit Obligation at the end of the Period)	(10.43)	(7.85)
Funded Status (Surplus/ (Deficit))	(10.43)	(7.85)
Net (Liability)/Asset Recognized in the Balance Sheet	(10.43)	(7.85)
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period:</b>		
Current Service Cost	2.19	1.45
Net Interest Cost	0.59	0.38
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	2.78	1.83
<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:</b>		
Actuarial (Gains)/Losses on Obligation for the Period	0.21	0.85
Net (Income)/Expense For the Period Recognized in OCI	0.21	0.85
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	7.85	5.25
Expenses Recognized in Statement of Profit or Loss	2.78	1.83
Expenses Recognized in OCI	0.21	0.85

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 33 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
(Benefit Paid Directly by the Employer)	(0.41)	(0.07)
Net Liability/(Asset) Recognized in the Balance Sheet	10.43	7.85
<b>Assumptions:</b>		
No of Active Members	189	186.00
Per Month Salary for Active Members	5.20	4.58
Weighted Average Duration of the Projected Benefit Obligation	14	14.00
Average Expected Future Service	15	15.00
Projected Benefit Obligation (PBO)	10.43	7.85
Rate of Discounting	7.21%	7.48%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Prescribed Contribution For Next Year (12 Months)	-	-
<b>Maturity Analysis of the Benefit Payments: From the Employer:</b>		
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	0.44	0.27
2nd Following Year	0.49	0.36
3rd Following Year	0.53	0.41
4th Following Year	0.59	0.45
5th Following Year	0.63	0.49
Sum of Years 6 To 10	3.35	2.57
Sum of Years 11 & above	25.40	21.09
<b>Sensitivity Analysis:</b>		
Projected Benefit Obligation on Current Assumptions	10.43	7.85
Delta Effect of +1% Change in Rate of Discounting	(1.14)	(0.88)
Delta Effect of -1% Change in Rate of Discounting	1.38	1.06
Delta Effect of +1% Change in Rate of Salary Increase	1.10	0.90
Delta Effect of -1% Change in Rate of Salary Increase	(1.00)	(0.82)
Delta Effect of +1% Change in Rate of Employee Turnover	0.02	0.00
Delta Effect of -1% Change in Rate of Employee Turnover	(0.03)	(0.02)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

### (b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Table Showing Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the Beginning of the Period	6.42	4.51
Interest Cost	0.48	0.33

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 33 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current Service Cost	1.46	0.77
Benefit Paid Directly by the Employer	(0.71)	(0.13)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.28	(0.16)
Actuarial (Gains)/Losses on Obligations - Due to Experience	1.22	1.11
Present Value of Benefit Obligation at the End of the Period	9.15	6.42
<b>Amount Recognized in the Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(9.15)	(6.42)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(9.15)	(6.42)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(9.15)	(6.42)
<b>Expenses / [Incomes] recognised in the Statement of Profit &amp; Loss:</b>		
Current Service Cost	1.46	0.77
Net Interest Cost	0.48	0.33
Actuarial (Gains)/Losses	1.50	0.95
Expenses Recognized in the Statement of Profit or Loss	3.44	2.04
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	6.42	4.51
Expense Recognized in Statement of Profit or Loss	3.44	2.04
(Benefit Paid Directly by the Employer)	(0.71)	(0.13)
Net Liability/(Asset) Recognized in the Balance Sheet	9.15	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

§ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

## 34 Financial risk management:

The Company's activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the Standalone Financial Statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

### (i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial risk management: (Contd..)

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

### (ii) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities - borrowings, trade payables & other financial liabilities.

The Company's principle sources of liquidity are cash & cash equivalents & the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position & maintains adequate source of funding.

### (iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. 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.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

As at March 31, 2024	Upto year 1	1-5 years	More than 5 yrs
Borrowings (other than redeemable preference shares)	973.30	838.98	70.30
Redeemable preference shares	0.00	215.00	7.42
Trade payables	293.01	0.00	0.00
Lease Liabilities	11.29	43.60	134.38
Other financial liabilities	378.37	404.10	0.00
<b>TOTAL</b>	<b>1,655.97</b>	<b>1,501.68</b>	<b>212.10</b>
<b>GRAND TOTAL</b>		<b>3369.75</b>	

(Unless otherwise stated, all amounts are in Million Indian Rupees)

As at March 31, 2023	Upto year 1	1-5 years	More than 5 yrs
Borrowings (other than redeemable preference shares)	216.39	2,084.52	535.29
Redeemable preference shares	0.00	32.89	169.27
Trade payables	311.54	0.00	0.00
Lease Liabilities	8.54	35.71	115.00
Other financial liabilities	380.12	355.07	0.00
<b>TOTAL</b>	<b>916.59</b>	<b>2,508.19</b>	<b>819.56</b>
<b>GRAND TOTAL</b>		<b>4,244.34</b>	

### (iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices – will affect the Companies income or the value of its holdings of financial instruments.

### (v) Commodity Price Risk :

Risk arising on account of fluctuations in price of natural gas is mitigated by ability to pass on the fluctuations in prices to customers over period of time. The company monitors movements in the prices closely on regular basis.

### (vi) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

### (vii) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 34 Financial risk management: (Contd..)

The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate instruments		
Financial Assets	-	-
Financial Liabilities	1,882.57	2,836.19
Fixed Rate instruments		
Financial Assets	178.34	186.22
Financial Liabilities	222.42	361.40
	<b>Interest rate variation</b>	<b>Change</b>
	Scenario-1	(+) 0.50%
	Scenario-2	(-) 0.50%
	<b>Impact</b>	<b>Impact</b>
		9.41
		(9.41)
		14.18
		(14.18)

## 35 Capital Management:

Total equity as shown in the balance sheet includes equity share capital, general reserves and retained earnings.

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders &amp; benefits for other stakeholders, &amp; maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash &amp; cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares &amp; Equity component of Preference Shares) &amp; accumulated reserves.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings (including Liability component of Redeemable Preference Shares)	2,105.00	3,038.35
Less: cash & cash equivalents & Balance with Banks	2,577.92	486.85
Net debt	(472.92)	2,551.50
Total equity	9,167.29	3,255.61
Net Debt to Equity Ratio	(0.05)	0.78

### Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

- (i) Gross DSCR
- (ii) Interest Coverage ratio
- (iii) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)

Note: The company has complied with all Loan Covenants for the period ending March 31, 2024 and March 31, 2023 as per Facility Agreement

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 36 Related Party Disclosures:

The management has identified the following entities and individuals as related parties of the Company for the purpose of reporting as per Ind AS 24 - Related Party Transactions, which are as under:

### (a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i	Deemed Holding Company by Control	(i) Cadila Pharmaceuticals Limited
ii	Associate entities	(i) Farm Gas Private Limited (ii) Venuka Polymers Private Limited
iii	Joint Control Entities	(i) Ni-Hon Cylinders Private Limited
iv	Subsidiary Company	(i) SKI-Clean Energy Private Limited(W.ef. 21.09.2022) (i) IRM Private Limited (formerly IRM Limited) (ii) IRM Trust (iii) Mauktika Ventures LLP (iv) N M Sadguru Water and Development Foundation (v) Aspire Disruptive Skill Foundation
v	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(vi) Indrashil Kaka Ba & Kala Budh Public Charitable Trust (vii) Enertech Distribution Management Private Limited (viii) Enertech Fuel Solutions Private Limited (ix) Apollo Hospitals International Limited (x) AIC-ISE Foundation (xi) Inverika Bioresearch Private Limited (xii) SAF Clean Energy Private Limited (xiii) Cad Ventures Pvt Ltd
vi	Directors	(i) Mr. Maheswar Sahu (Chairman) (ii) Dr. Rajiv I. Modi (Director) (iii) Mr. Amitabha Banerjee (Director) (iv) Mr. Badri Mahapatra (Director) (v) Mr. Chikmagalur Kalasheety Gopal (Director) (vi) Mr. Rabindra Nath Nayak (Director) (vii) Mr. Anand Mohan Tiwari (Director) (viii) Mrs. Geeta Goradia (Director)(upto 06.01.2024)
vii	Key Management Personnel	(i) Mr. Karan Kaushal (CEO) (ii) Mr. Harshal Anjaria (CFO) (iii) Ms. Shikha Jain (CS)

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 35 Related Party Disclosures: (Contd..)

### (b) Transactions with related parties:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended March 31, 2024	For the year ended March 31, 2023
1	Corporate Guarantee Commission Paid	Cadila Pharmaceuticals Limited	-	1.99
2	Rent Paid	IRM Trust	6.03	5.29
3	Licence Fees Paid	IRM Trust*	36.35	35.10
4	Natural Gas and Compressed Bio Gas Purchase (incl. Transmission Charges )	Farm Gas Private Limited	162.84	559.92
5	CNG Sales	Farm Gas Private Limited	9.39	-
6	Compression Service - FS	Farm Gas Private Limited	0.94	-
7	Corporate Guarantee Commission received	Farm Gas Private Limited	3.39	-
8	Corporate Guarantee Commission received	Venuka Polymers Private Limited	4.34	-
9	Rent received	Venuka Polymers Private Limited	0.04	-
10	Purchase oF Assets	Venuka Polymers Private Limited	76.56	44.43
11	Purchase of Natural Gas	Enertech Fuel Solutions Private Limited	-	65.32
1	Corporate Guarantee Commission Expenses	Cadila Pharmaceuticals Limited	-	1.99
2	Corporate Guarantee Commission Income	Farm Gas Private Limited Venuka Polymers Private Limited	3.39 4.34	- -
3	Rent Expenses	IRM Trust	6.03	5.29
4	Rent Income	Venuka Polymers Private Limited SKI-Clean Energy Private Limited	0.04 0.05	- 0.03
5	Licence Fees Expenses	IRM Trust*	36.35	35.10
6	Natural Gas and Compressed Bio Gas Purchase (incl. Transmission Charges )	Farm Gas Private Limited	162.84	559.92
7	Purchase of Natural Gas	Enertech Fuel Solutions Private Limited Enertech Distribution Management Private Limited	- 27.26	65.32 19.77
8	Purchase oF Assets	Venuka Polymers Private Limited	76.56	44.43
9	CNG Sales	Farm Gas Private Limited	9.39	-
10	Compression Service - FS	Farm Gas Private Limited	0.94	-
11	Hiring of cab services Expenses	CAD Ventures Private Limited Inverika Bioresearch Private Limited	0.17 -	0.01 0.11
12	Interest Income	Ni Hon Cylinders Pvt Limited	7.89	10.05
13	Health checkup services Expenses	Apollo Hospitals International Limited	0.31	0.01
14	Canteen Services Expenses	IRM Private Limited Cadila Pharmaceuticals Limited IRM Trust Enertech Distribution Management Private Limited	0.67 7.49 2.79 4.34	0.77 7.49 2.79 4.34
15	Dividend- Paid	Maheswar Sahu Karan Kaushal Harshal Anjaria Shikha Jain	0.07 0.00 0.00 0.00	0.07 0.00 0.00 0.00

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended March 31, 2024	For the year ended March 31, 2023
16	Reimbursement of Expenses	Cadila Pharmaceuticals Limited	4.47	0.50
		Maheswar Sahu	0.52	0.45
		Venuka Polymers Private Limited	25.90	(63.57)
		Mauktika Ventures LLP	0.02	(0.21)
		Farm Gas Private Limited	53.70	(180.88)
		SAF Clean Energy Private Limited	0.00	-
		Ni Hon Cylinders Pvt Limited	1.22	0.90
		SKI-Clean Energy Private Limited	0.06	(0.39)
17	Director Sitting Fees	Maheswar Sahu	1.08	1.32
		Badri Mahapatra	0.36	0.56
		Amitabha Banerjee	0.20	0.08
18	Managerial Remuneration	Maheswar Sahu	10.97	15.10
		Indrashil Kaka Ba & Kala Budh Public Charitable Trust	8.71	7.27
19	Corporate Social Responsibility Expense	AIC-ISE Foundation	0.14	-
		N M Sadguru Water and Development Foundation	0.70	0.60
		Aspire Disruptive Skill Foundation	8.00	6.24
		Karan Kaushal	8.22	6.86
20	Remuneration	Harshal Anjaria	5.50	4.58
		Shikha Jain	1.37	0.94
		IRM Private Limited	0.11	0.06
21	Outstanding Payables	Enertech Fuel Solutions Private Limited	-	10.49
		Maheswar Sahu	-	0.05
		Apollo Hospitals International Limited	-	0.31
		Mauktika Ventures LLP	0.19	0.42
22	Loan & Advances Receivable	Ni Hon Cylinders Pvt Limited	74.90	74.90
23	Deposit Amount Receivable	IRM Trust	0.44	0.44
24	Outstanding Receivables/Other Receivables / Capital Advances / Advances to Supplier	Ni Hon Cylinders Pvt Limited	19.10	10.79
		Venuka Polymers Private Limited	150.09	72.52
		Cadila Pharmaceuticals Limited	0.46	0.05
		IRM Trust	20.81	-
		Mauktika Ventures LLP	-	0.21
		SKI-Clean Energy Private Limited	0.13	0.01
		SAF Clean Energy Private Limited**	0.00	-
		Farm Gas Private Limited	107.38	15.94

(i) All transactions with related parties are placed before the Audit Committee for its prior approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature. All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

(ii) \*Since the license fee was waived till December 31, 2023 as per the addendum agreement signed between the Company and IRM Trust (Promoter), the Company has made entire full provision of license fees of Rs. 42.89 million for the quarter ending March 31, 2024.

(iii) Remuneration to Key Managerial Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

(iv) All the amounts reported in above are exclusive of GST wherever applicable.

\*\*Denotes less than Rs. 5000

## 37 Earnings Per Share:

Pursuant to the Indian Accounting Standard (Ind AS- 33) - Earnings per Share, the disclosure is as under:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 39 Corporate Social Responsibility: (Contd..)

Sr. No.	Particulars	UOM	For the Year ended March 31, 2024	For the year ended March 31, 2023
<b>Basic EPS &amp; Diluted EPS</b>				
a	Profit after tax attributable to Equity Shareholders	Million Indian ₹	915.05	564.82
b	Basic & weighted average number of Equity shares outstanding during the year	No. of shares	3,50,10,496.67	2,98,15,608.51
c	Basic and Diluted earning per share	₹	26.14	18.94

## 38 Contingent Liabilities & Capital Commitment (to the extent not provided for):

### (A) Contingent Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
1	Claim Against Company Not Acknowledged as Debt	-	-
2	Income Tax Liability for A.Y 18-19- Rectification filed pending resolution	0.05	0.05
3	In respect of Corporate Guarantee given by the Company In favour of Banks extending the credit facilities to Joint Control Entities	815.60	675.60
4	In respect of Performance Bank Guarantee (PBG) issued in favour of PNGRB by Banks	1,581.20	1,581.20
	<b>Total</b>	<b>2,396.85</b>	<b>2,256.85</b>

### (B) Capital Commitment

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
1	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	1,497.17	2,711.87
	<b>Total</b>	<b>1,497.17</b>	<b>2,711.87</b>

39 The Company has taken limits for issuance of Performance Bank Guarantee (PBG) in favor of PNGRB which is secured as under-

- First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

Further, Cadila Pharmaceuticals Ltd has given corporate guarantee for the limits taken by the company for submission of PBG of ₹ 250 million for the Diu and Gir somanth city gas distribution project.

## 40 Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally been carried out by making payment contribution to eligible Trusts. The Trusts carry out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company.

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 41 Segment Information (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
a	Amount required to be spent during the year/period	18.10	15.20
b	Amount approved by the Board to be spent during the year/period	18.55	16.10
c	Amount spent during the year/period	18.55	16.10
	i Construction/Acquisition of any assets	-	-
	ii On purposes other than (i) above	18.55	16.10
d	Nature of CSR activities undertaken by the Company	Installation of rooftop solar, upgradation of solar lab, CNC Turning lathe machine, lab equipments and lab development, IT equipments, hydroponic units.	CNC lathe machine, CNG bus and CNG four wheeler, set of Skill centre and lab infrastructure, IT equipments, hydroponic units.
e	Details related to spent/unspent obligations		
	i Contribution to Public and Charitable Trust	18.55	16.10
	ii Unspent Amount / (Excess Amount)	(0.45)	(0.40)

Refer note 36 for Related Party Balances

Refer Annexure C-Annual Report on Corporate Social Responsibility Activity of the Board Report.

## 41 Segment Information

### a Description of segments and principal activities

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the Restated Consolidated Financial Statements themselves as at & for the period/financial year ended March 24 and March 23.

### b Entity wide disclosures

- i Information about products and services: The Company is in a single line of business of "Sale of Natural Gas".
- ii Geographical Information: The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers earned and non-current asset are located, in India.
- iii Information about major customers: In the current year, revenue from none of the external customer individually accounted for more than ten percent of the revenue.

## 42 Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with the Registrar of Companies beyond the statutory period.

## 43 Details of Benami Property held

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

## 44 Loans and advances granted to specified person

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

Except as stated in the notes to accounts and financial statement, there are no other loans or advances granted to specified persons namely promoters, directors, KMPs and related parties

## 45 Land, Building and Plant & Machinery on lease for more than 12 months

The Company has taken Land, Building and Plant & Machinery on Lease for the period of more than 12 Months. The Company has taken other Buildings also on lease for the period of 12 months or less for which the company applies the "Short-term leases" recognition exemptions. Disclosures as per Ind AS 116 - Leases are as follows:

### a Changes in the carrying value of right of use assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	162.42	129.42
Additions	39.51	49.43
Reclassified pursuant to adoption of IndAS 116	-	-
Deletions	-	-
Amortisation	16.03	16.43
<b>Balance at the end of the year</b>	<b>185.90</b>	<b>162.42</b>

### b Movement of Lease Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	159.25	117.07
Additions	39.51	49.43
Deletions	-	-
Finance cost accrued during the year	20.49	14.17
Payment of lease liabilities	29.98	21.41
<b>Balance at the end of the year</b>	<b>189.27</b>	<b>159.25</b>

### c Contractual maturities of lease liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Less than one year	11.29	8.54
One to five years	43.60	35.71
More than five years	134.38	115.00
<b>Total</b>	<b>189.27</b>	<b>159.25</b>

### d Amount recognized in Statement of Profit and Loss account during the year

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Amortisation expense of right of use assets	16.03	16.43
Interest Expense on Lease liabilities	20.49	14.17
Expense related to short term leases	14.85	9.86
<b>Total</b>	<b>51.36</b>	<b>40.46</b>

### e Amount recognized in statement of Cash Flow

(Unless otherwise stated, all amounts are in Million Indian Rupees)

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Total Cash flow for lease	29.98	21.41
<b>Total</b>	<b>29.98</b>	<b>21.41</b>

## 46 Utilisation of borrowed funds, share premium and other funds

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

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

- i 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
- ii provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

## 47 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

## 48 Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## 49 Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

## 50 Relationship with struck off companies

The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

## 51 Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

## 52 Revaluation of property, Plant and equipment

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during year ended 31 March 2024 and 31 March 2023

## 53 Details regarding Financial Instruments

(Unless otherwise stated, all amounts are in Million Indian Rupees)

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

## 53 Details regarding Financial Instruments (Contd..)

As at March 31, 2024	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investment*	153.46	-	-	153.46	153.46	-	-	153.46
Loans	-	-	89.68	89.68	-	-	89.68	89.68
Trade receivables	-	-	367.91	367.91	-	-	367.91	367.91
Cash & cash equivalents	-	-	2,577.92	2,577.92	-	-	2,577.92	2,577.92
Other Bank Balances	-	-	2,299.86	2,299.86	-	-	2,299.86	2,299.86
Other financial assets	-	-	161.75	161.75	-	-	161.75	161.75
<b>Total financial assets</b>	<b>153.46</b>	<b>-</b>	<b>5,497.12</b>	<b>5,650.58</b>	<b>153.46</b>	<b>-</b>	<b>5,497.12</b>	<b>5,650.58</b>
<b>Financial liabilities</b>								
Borrowings**	-	-	2,105.00	2,105.00	-	-	2,105.00	2,105.00
Lease Liabilities	-	-	189.27	189.27	-	-	189.27	189.27
Trade payables	-	-	293.01	293.01	-	-	293.01	293.01
Other financial liabilities	-	-	782.47	782.47	-	-	782.47	782.47
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3,369.75</b>	<b>3,369.75</b>	<b>-</b>	<b>-</b>	<b>3,369.75</b>	<b>3,369.75</b>

(Unless otherwise stated, all amounts are in Million Indian Rupees)

As at March 31, 2023	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investment*	543.25	-	-	543.25	543.25	-	-	543.25
Loans	-	-	76.62	76.62	-	-	76.62	76.62
Trade receivables	-	-	386.22	386.22	-	-	386.22	386.22
Cash & cash equivalents	-	-	218.71	218.71	-	-	218.75	218.75
Other Bank Balances	-	-	766.06	766.06	-	-	766.06	766.06
Other financial assets	-	-	147.92	147.92	-	-	147.92	147.92
<b>Total financial assets</b>	<b>543.25</b>	<b>-</b>	<b>1,595.53</b>	<b>2,138.78</b>	<b>543.25</b>	<b>-</b>	<b>1,595.57</b>	<b>2,138.82</b>
<b>Financial liabilities</b>								
Borrowings**	-	-	3,038.34	3,038.34	-	-	3,038.34	3,038.34
Lease Liabilities	-	-	159.25	159.25	-	-	159.25	159.25
Trade payables	-	-	311.54	311.54	-	-	311.54	311.54
Other financial liabilities	-	-	735.20	735.20	-	-	735.20	735.20
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,244.34</b>	<b>4,244.34</b>	<b>-</b>	<b>-</b>	<b>4,244.33</b>	<b>4,244.33</b>

\*Investments in subsidiaries, joint ventures and associates classified as equity investments have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

\*\* includes liability component of Non Cumulative Redeemable Preference Shares.

## 54 Revenue from contracts with customers :

Sale of Natural gas is the main activity of city gas distribution business and other operating income is incidental to sale of natural gas. Company sells and distributes natural gas in India.

Sale of natural gas includes excise duty but excludes VAT and GST collected from the customers on behalf of the Government. All the revenue mentioned above are earned by transfer of goods or services at a point of time.

### Reconciliation of the amount of revenue recognised in the statement of Profit and Loss with the contracted price :

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue as per contracted price</b>	9,565.40	10,391.35
<b>Adjustments :</b>		
Provision for revenue contract price	-	-
<b>Revenue from contract with customers</b>	<b>9,565.40</b>	<b>10,391.35</b>

The following table provides information about receivables and contract liabilities from contract with customers:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
<b>(i) Receivables</b>			
	Trade receivables	321.94	361.12
	Unbilled Revenue	45.97	25.10
	<b>Total Trade receivables</b>	<b>367.91</b>	<b>386.22</b>
<b>(ii) Current Financial Liabilities - Others (Contract liabilities)</b>			
	Security Deposits from customers	325.21	273.70
	<b>Total Current Financial Liabilities - Others (Contract liabilities)</b>	<b>325.21</b>	<b>273.70</b>

## Performance obligations -Connection, Service and Fitting Income

Connection charges from customers are Recognised when the performance obligation is satisfied:

- (i) Industrial & Commercial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas as per the contract. Consequently, the connection charges is to be recognised when the amount is received from the Customer.
- (ii) Domestic Customer: The connection charges is to be recognised when the amount is received from the Customer. It is reasonably expected by the Company that the gas is procured by the customer and supplied by the Company on a Regular basis. Consequently the connection charges are to be recognised when the connection facility is provided.

**55** Since the license fee was waived till December 31, 2023 as per the addendum agreement signed between the Company and IRM Trust (Promoter), the Company has made entire full provision of license fees of Rs. 42.89 million for the quarter ending March 31, 2024.

## 56 Events Occuring After the Balance Sheet Date :

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As on date of approval of these financial statements, there are no subsequent events to be recognized or reported that are not already disclosed.

**57** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating and edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

except for the Period of 1st April 23 to 16th September 2023. Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

**58** The Board of Directors have recommended final dividend on non-cumulative redeemable preference shares of ₹ 1 (10%) per preference share of the face value of ₹ 10 each for the financial year 2023-24. This proposed dividend is subject to approval of the shareholders in the ensuing annual general meeting. Additionally, the Board of Directors have recommended final equity dividend of ₹ 1.50 (15%) per equity share of the face value of 10 each for the financial year 2023-24. This proposed dividend is subject to approval of the shareholders in the ensuing annual general meeting.

## 59 The statement of utilisation of IPO net proceeds as on March 31, 2024 is as under:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Object(S) as per the Prospectus	Amount as per final offer document	Total Amount Utilized as on March 31, 2024	Total Amount Unutilized as on March 31, 2024
Funding capital expenditure requirements for development of the City Gas Distribution network in the Geographical Areas of Namakkal and Tiruchirappalli (Tamil Nadu) in Fiscal 2024, Fiscal 2025, Fiscal 2026 and Fiscal 2027	3,072.62	65.00	3,007.62
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	1,350.00	1,350.00	-
General Corporate Purposes#	542.34	0.07	542.27
<b>TOTAL</b>	<b>4,964.96#</b>	<b>1,415.07</b>	<b>3,549.89</b>

#The total amount available for utilisation towards objects of the Issue (net of offer expenses) is ₹ 4,964.96 million (net proceeds) which is higher than the amount mentioned in the Prospectus of ₹ 4,958.63 million. The actual amount received by the Company is higher based on the finalisation of Basis of Allotment. The difference i.e. ₹ 6.33 million is added to the General Corporate Purposes.

**60** The Standalone Financial Statements for the year ended 31 March, 2024 were approved by the Board of Directors on 21 May, 2024.

## 58 Financial Ratios

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No	Ratio	Numerator	Denominator	For the Year ended March 31, 2024	For the year ended March 31, 2023
1	Current Ratio	Current Assets	Current Liabilities	3.41	2.40
	<b>% change from previous year:</b>			42%	
	<b>Reason for change more than 25%:</b>	March 31, 2024: During the year, company has repaid short term borrowing which resulted in reduction of current liabilities.			
2	Debt-Equity Ratio	Total Debt	Total Equity	0.25	0.98
	<b>% change from previous year:</b>			-75%	
	<b>Reason for change more than 25%:</b>	March 31, 2024: Due to repayment of borrowings and issue of new equity shares during the year.			
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.79	3.42
	<b>% change from previous year:</b>			-77%	
	<b>Reason for change more than 25%:</b>	March 31, 2024: Due to repayment of borrowings and increase in the lease liabilities.			
4	Return on Equity Ratio	Net Profit less Dividend	Average Shareholder's Equity	14.17%	19.82%
	<b>% change from previous year:</b>			-29%	
	<b>Reason for change more than 25%:</b>	March 31, 2024: Due to higher profitability and issue of new equity shares during the year.			
5	Inventory turnover ratio	Sales	Closing Inventory	222.14	536.68
	<b>% change from previous year:</b>			-59%	

# Notes to Standalone Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No	Ratio	Numerator	Denominator	For the Year ended March 31, 2024	For the year ended March 31, 2023
	<b>Reason for change more than 25%:</b> Due to decrease in the turnover and increase in the amount of closing inventory.				
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	25.25	33.76
	<b>% change from previous year:</b>			-25%	
	<b>Reason for change more than 25%:</b> N.A				
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	21.45	27.72
	<b>% change from previous year:</b>			-23%	
	<b>Reason for change more than 25%:</b> N.A				
8	Net capital turnover ratio	Revenue from Operations	Shareholder's Equity	1.04	3.19
	<b>% change from previous year:</b>			-67%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to decrease in turnover and issue of the equity shares during the year.				
9	Net profit ratio	Net Profit	Sales	9.33%	5.40%
	<b>% change from previous year:</b>			73%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to decrease in turnover and higher profitability.				
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed (Total Assets- Current Liabilities)	13.14%	14.35%
	<b>% change from previous year:</b>			-8%	
	<b>Reason for change more than 25%:</b> March 31, 2024: N.A				
11	Return on investment	Earnings before interest and taxes	Total Assets	11.41%	18.94%
	<b>% change from previous year:</b>			-40%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to increase in asset more than the increase in the profitability.				

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**

**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# **Consolidated Financial Statement**

# Independent Auditor's Report

To  
The Members of  
**IRM Energy Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of IRM Energy Limited (hereinafter referred to as the "Holding Company"), its subsidiary, joint controlled entities (the Holding Company, its subsidiary and joint controlled entities collectively referred to as 'the Group') and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including comprehensive income), the Consolidated Statement of Changes in equity and the Consolidated Cash Flows Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Indian Accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2024, of Consolidated profit, Consolidated changes in equity and its Consolidated cash flows 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 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p><b>Revenue recognition on contracts with customer</b></p> <p>The Holding Company is in the business of distribution of natural gas. The Company has major types of customers such as industrial, commercial, non-commercial, domestic and CNG.</p> <p>Revenue from sale of natural gas is considered as key audit matter as there is a risk of accuracy of recognition and measurement of gas sales in the consolidated financial statements considering following aspects: -</p> <ul style="list-style-type: none"> <li>Different pricing structure for different types of customers and frequency of price change</li> </ul>	<p><b>Principal Audit Procedures</b></p> <p>Our approach was a combination of test of internal controls, analytical and substantive procedures which included the following: -</p> <ul style="list-style-type: none"> <li>Evaluated the design of internal control</li> <li>For evaluation of operative effectiveness of internal control:               <ul style="list-style-type: none"> <li>Verified samples of gas sales invoices with relevant agreements executed with the customers, accuracy of pricing, consumption quantity, tax amount of invoices of major types of customers</li> </ul> </li> </ul>

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>• Voluminous number of customers</li> <li>• Capturing Gas Consumption data in billing</li> <li>• Estimating unbilled revenue at the year-end</li> <li>• Extensive use of ERP and other IT systems for managing the billing operation</li> </ul>	<ul style="list-style-type: none"> <li>• Visited site to understand actual operations</li> <li>• Performed analytical procedures to verify number of bills generated during the year for each major type of customers as per their respective billing cycle</li> <li>• On sample basis, verified:                             <ul style="list-style-type: none"> <li>• Updation of Daily Contracted Quantity of gas of Industrial customers in the billing system.</li> <li>• Updation of prices of gas for all major types of customers in the billing system.</li> <li>• Sales invoices- Verified subsequent realization of invoices generated for the month of March 2024</li> </ul> </li> <li>• Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the Consolidated Financial Statements in terms of Ind AS 115.</li> </ul>

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

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our 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.

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the

Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- a) Identify and assess the risks of material misstatement of the consolidated 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.
- b) Obtain an understanding of internal financial controls 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 and its Joint Controlled entity companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 ability of the Group and its associates 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 consolidated 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 Group and its associates to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements

of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

### Other Matters

We did not audit financial statement of one associate in the consolidated financial statement, whose financial Results reflect Group's share of net loss after tax of Rs. 18.81 million and total comprehensive loss of Rs. 18.82 million for year ended March 31, 2024 as considered in the Consolidated Financial Results have been audited by other auditor. The independent auditor's report on Financial Results of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our and on the consideration of the reports of the other auditors on the Consolidated financial statements and other financial

information of the Joint Controlled entity, we report, to the extent applicable that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of aforesaid Consolidated Financial Statements have been kept so far it appears from our examination of those books and the report of other auditor.
- c) The Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of the subsidiary, its Joint Controlled Entity and associates incorporated in India and the reports of the statutory auditors of its subsidiary, Joint Controlled entity and associates companies incorporated in India, none of the directors of the group companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the holding company, its subsidiary, joint control entities and associates.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, based on the auditors report of the holding company, its subsidiary, joint control entities and associates in our opinion the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The group, has disclosed the impact of pending litigation on its financial position in its consolidated financial statements.
  - ii. The Group has made provision as required under the applicable law or accounting standard, on material foreseeable losses, if any on long-term derivative contracts.
- iii. There are no amounts which are required to be transferred Investor Education and Protection Fund by the group.
- iv. a) The respective Managements of the Parent, its subsidiaries and its joint controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 Parent or any of such subsidiaries and joint controlled entities to or in any other person(s) or entity(ies), 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 by or on behalf of the Parent or any of such subsidiaries or its joint controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b) The respective Managements of the Parent its subsidiaries and its joint controlled entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, its joint controlled entities respectively that, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Parent or any of such subsidiaries or its joint controlled entities from any person(s) or entity(ies), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint controlled entities shall, 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 has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or

other auditor's notice that has caused us or the other auditors to believe that the representations under (a) and (b) above, contain any material mis-statement.

- v. The dividend declared and paid during the year by the group is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, and that performed by the respective auditor of the subsidiary and joint venture entity and associates of the holding company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year except for the period as mentioned below for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Sr. No.	Name of Company	Software	Period for which audit trail (edit log) facility was not operating
1	IRM Energy Limited, SKI Clean Energy Pvt Ltd, Venuka Polymers Pvt Ltd, Ni- Hon Cylinders Pvt Ltd	Accounting Software	April 2023 to 16th September 2023
2	Farm Gas Pvt Limited	Accounting Software	April 2023 to 15th September 2023
3	Farm Gas Pvt Limited	Payroll	April 2023 to March 2024

- vii. Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. No.	Name of Company	Nature of Relationship	Clause Number of CARO report with qualification or adverse remark
1	Venuka Polymers Pvt Ltd	Associate	Clause (ii)(b)

For **Mukesh M. Shah & Co.,**  
Chartered Accountants  
Firm Registration No.: 106625W

**Harsh P. Kejriwal**  
Partner  
Membership No.: 128670  
Place: Ahmedabad  
Date : 21/05/2024  
UDIN: 24128670BKAFTQ1334

# "Annexure A" to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March, 2024, we have audited the financial control over financial reporting of IRM Energy Limited (hereinafter referred to as "the Holding Company"), its subsidiary, joint controlled and its associates, which are companies incorporated in India, as of that date.

### Management Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary, jointly Controlled entity and associates companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the respective companies 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 Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Company, its subsidiary, Joint Controlled entity and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over

financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the risk 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 internal financial controls system over financial reporting of the Company, subsidiary, its Joint Controlled entity and associates, which are companies incorporated in India.

### Meaning of Internal Financial Controls Over Financial Reporting

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material 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 any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion and to the best of our information and according to the explanation given to us, the Company, its subsidiary, its Joint Controlled entity companies and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 **Mukesh M. Shah & Co.,**  
Chartered Accountants  
Firm Registration No.: 106625W

### **Harsh P. Kejriwal**

Partner  
Membership No.: 128670  
Place: Ahmedabad  
Date : 21/05/2024  
UDIN: 24128670BKAFTQ1334

# Consolidated Balance Sheet

as at March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, plant and equipment	4.1	5,356.42	3,610.15
b) Capital work-in-progress	4.2	867.89	910.85
c) Intangibles assets	4.3	31.53	33.65
d) Right of Use Assets	4.4	185.90	162.41
e) Financial assets			
(i) Investments	5A	265.51	323.79
(ii) Loans	6A	5.08	75.64
(iii) Other financial assets	6B	89.10	110.04
f) Other non-current assets	7	372.98	404.13
g) Income Tax Asset (Net)	8	19.61	42.26
<b>Total Non-Current Assets</b>		<b>7,194.02</b>	<b>5,672.93</b>
<b>Current Assets</b>			
a) Inventories	9	42.85	19.29
b) Financial assets			
(i) Investments	5B	153.46	543.25
(ii) Trade receivables	10	368.01	386.22
(iii) Cash and cash equivalents	11A	2,577.92	486.89
(iv) Bank balances Other Than (iii) Above	11B	2,299.86	497.92
(v) Loans	12	84.60	0.98
(vi) Other financial assets	13	72.67	37.88
c) Other current assets	14	172.80	283.66
<b>Total Current Assets</b>		<b>5,772.17</b>	<b>2,256.09</b>
<b>Total Assets</b>		<b>12,966.19</b>	<b>7,929.02</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	15	410.60	302.60
b) Other equity	16	8,907.01	3,161.63
<b>Total Equity attributable of Equity holders Of the Company</b>		<b>9,317.61</b>	<b>3,464.22</b>
Non Controlling Interests	17	0.01	0.05
<b>Total equity</b>		<b>9,317.62</b>	<b>3,464.27</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	18A	1,131.70	2,821.96
(ii) Lease Liabilities	19A	177.98	150.71
(iii) Other financial liabilities	21	404.10	355.07
b) Provisions	22A	19.14	13.72
c) Deferred tax liabilities (Net)	24	224.05	185.19
<b>Total Non-Current Liabilities</b>		<b>1,956.97</b>	<b>3,526.64</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	18B	973.31	216.39
(ii) Lease Liabilities	19B	11.29	8.54
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		32.85	1.85
- total outstanding dues of creditors other than micro enterprises and small enterprises		260.22	309.69
(iv) Other financial liabilities	21	378.33	380.12
b) Provisions	22B	0.46	0.58
c) Other current liabilities	23	35.14	20.93
d) Current tax liabilities (Net)		-	-
<b>Total Current Liabilities</b>		<b>1,691.60</b>	<b>938.11</b>
<b>Total Liabilities</b>		<b>3,648.57</b>	<b>4,464.75</b>
<b>Total Equity and Liabilities</b>		<b>12,966.19</b>	<b>7,929.02</b>

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**
**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>INCOME :</b>			
Revenue from Operations	25	9,565.40	10,391.35
Other Income	26	238.19	59.64
<b>Total Income</b>		<b>9803.59</b>	<b>10451.00</b>
<b>EXPENSES :</b>			
Purchases of stock-in-trade of natural gas	27	6,483.28	7,795.27
Changes in Inventories	28	(18.05)	2.50
Excise Duty		660.23	590.47
Employee Benefits Expense	29	123.87	90.83
Finance Costs	30	266.97	229.03
Depreciation and Amortisation Expense	31	264.73	208.98
Other Expenses	32	827.57	789.90
<b>Total Expenses</b>		<b>8,608.60</b>	<b>9,706.97</b>
<b>Profit before Tax</b>		<b>1,194.99</b>	<b>744.02</b>
<b>Tax Expense</b>	33		
- Current Tax		192.33	141.29
- Deferred Tax		87.75	38.28
<b>Total Tax Expense</b>		<b>280.08</b>	<b>179.57</b>
<b>Profit for the year before share of Profit/(loss) Of Joint Control Entities</b>		<b>914.91</b>	<b>564.45</b>
Share of Profit/(Loss) of Joint Control Entities( Net of Tax)		(58.28)	66.91
<b>Profit for the period/year</b>		<b>856.63</b>	<b>631.36</b>
<b>Less: Transfer to non-controlling interests</b>		<b>(0.04)</b>	<b>(0.10)</b>
<b>Profit for the period/year</b>		<b>856.67</b>	<b>631.46</b>
<b>Other Comprehensive income</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
a. Remeasurements of the defined benefit asset		(0.18)	(0.84)
b. Income tax related to this items		0.05	0.21
Total other comprehensive income/(loss)		<b>(0.13)</b>	<b>(0.63)</b>
<b>Total comprehensive income for the period/year</b>		<b>856.54</b>	<b>630.84</b>
<b>Profit attributable to :</b>			
Owner of the Parent		856.67	631.46
Non - Controlling Interests		-	-
<b>Total Other Comprehensive Income Attributable to:</b>			
Owner of the Parent		(0.13)	(0.63)
Non - Controlling Interests		-	-
<b>Total Comprehensive Income Attributable to:</b>			
Owner of the Parent		856.54	630.84
Non - Controlling Interests		-	-
<b>Earnings Per Share (Face Value of ₹ 10 each)</b>			
	Basic	24.47	21.18
	Diluted	24.47	21.18

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited****M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Consolidated Statement of Cash Flow

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Net profit before tax and extraordinary items	1,194.99	744.02
<b>Adjustment for:</b>		
Interest Income	(177.10)	(56.86)
Employee Benefits Expense	(0.10)	0.06
Finance Costs	266.95	229.03
Income From Investment in Mutual Fund(Unrealised)	(18.56)	(0.52)
Profit on sale of Mutual Fund (Realised)	(32.93)	(2.08)
Remeasurement of defined benefits	(0.16)	(0.63)
Allowance for Credit Losses	0.20	-
Provision for Expense (net)	(167.68)	177.25
Profit on sale of asset	-	(0.18)
Depreciation and Amortisation expense	264.73	208.98
<b>Operating profit before working capital changes</b>	<b>1,330.36</b>	<b>1,299.06</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in Other Current Assets	7.43	(595.35)
(Increase)/Decrease in Other Non Current Assets	(21.47)	(313.74)
(Increase)/Decrease in Other Financial Assets- Current	(18.80)	(12.13)
(Increase)/Decrease in Other Financial Assets- Non Current	19.84	72.45
(Increase)/Decrease in Inventories	(23.57)	(2.14)
(Increase)/Decrease in Trade Receivable	42.52	(159.08)
Increase/(Decrease) in Trade Payables	(18.47)	339.20
Increase/(Decrease) in Other Financial Liabilities Current	(56.25)	242.35
Increase/(Decrease) in Other Financial Liabilities Non Current	49.03	78.47
Increase/(Decrease) in Other Liabilities Current	14.39	(202.03)
<b>Cash generated from operation</b>	<b>1,325.02</b>	<b>747.06</b>
Direct taxes (paid)/Refund( Net)	(121.95)	(280.41)
Cash flow before extraordinary items	1,203.07	466.65
<b>Net cash from operating activities (a)</b>	<b>1,203.07</b>	<b>466.65</b>
<b>B. Cash flow from investing activities</b>		
Interest Income	164.90	49.04
Investment in Deposit With Bank	(1,801.94)	266.07
Investment in Mutual Fund	(4,086.48)	(728.24)
Sale of Mutual Fund	4,590.26	290.37
(Purchase)/Sale of PPE (incl. CWIP ,Capital Advances)	(1,778.27)	(1,625.06)
<b>Net cash used in investing activities (b)</b>	<b>(2,911.52)</b>	<b>(1,747.82)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from equity shares issued (incl Securities Premium)	5,449.96	412.63
Transaction cost on issue of share	(403.04)	(1.79)
Proceeds from Non Current Banks Borrowings	771.86	1,152.72
Proceeds from Current Banks Borrowings	150.00	-
Repayment Towards Non Current Bank Borrowing	(1,725.47)	(108.69)
Repayment Towards Current Bank Borrowing	(150.00)	(49.98)
Finance Costs	(213.73)	(192.24)
Payments of Lease Liabilities	(29.98)	(21.41)
Dividend Paid	(50.13)	(14.68)
<b>Net cash from financing activities (c)</b>	<b>3,799.48</b>	<b>1,176.56</b>
<b>Net increase / (decrease) in cash and cash equivalents (a+b+c)</b>	<b>2,091.03</b>	<b>(104.60)</b>
Cash and cash equivalents – opening balance	486.89	591.49
<b>Cash and cash equivalents – closing balance</b>	<b>2,577.92</b>	<b>486.89</b>
<b>Reconciliation of cash and cash equivalents with the Balance sheet:</b>		
Cash and cash equivalents at the end of the year comprises		
(a) Balance with banks		
Balance in Current Accounts	676.32	218.1
(b) Cash on hand	1.01	0.65
(c) Fixed Deposit Less than 3 Months Maturity	1,900.59	268.14
	<b>2,577.92</b>	<b>486.89</b>

# Consolidated Statement of Cash Flow

for the year ended March 31, 2024

## Notes:

- (i) The cash Flow statement reflects the cash flows pertaining to continuing operations.
- (ii) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act, 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- (iii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

## As at March 31, 2024

Particulars	As at March 31, 2023	Cash Flows	As at March 31, 2024
Non Current Borrowings	2,821.96	(1,690.25)	1,131.70
Current maturity of Non-Current borrowings	216.39	657.07	873.46
Current Borrowings	-	99.85	99.85
<b>TOTAL</b>	<b>3,038.34</b>	<b>(933.33)</b>	<b>2,105.01</b>

## As at March 31, 2023

Particulars	As at March 31, 2022	Cash Flows	As at March 31, 2023
Non Current Borrowings	1,867.60	954.36	2,821.96
Current maturity of Non-Current borrowings	106.97	109.42	216.39
Current Borrowings	51.35	(51.35)	-
<b>TOTAL</b>	<b>2,025.92</b>	<b>1,012.43</b>	<b>3,038.34</b>

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**

**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Consolidated Statement of Changes In Equity

for the year ended March 31, 2024

## (a) Equity Share Capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	No. of Shares	Amount
<b>Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:</b>		
<b>As at March 31, 2022</b>	<b>29,369,677</b>	<b>293.70</b>
Add: Issued during the period between 1st April 2022 to 31st March,2023	890,000	8.90
<b>As at March 31, 2023</b>	<b>30,259,677</b>	<b>302.60</b>
Add: Issued during the period between 1st April 2023 to 31st March,2024	10,800,000	108.00
<b>As at March 31, 2024</b>	<b>41,059,677</b>	<b>410.60</b>

## (b) Other equity

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Other Comprehensive Income	Total
		Securities Premium	Retained Earnings	Remeasurement of defined benefit plans	
<b>Balance as at 31 March 2022</b>	<b>211.05</b>	<b>54.28</b>	<b>1,878.70</b>	<b>(0.52)</b>	<b>2143.51</b>
Profit for the year period ending March 31, 2023	-	-	631.45	-	631.45
Remeasurements of the defined benefit asset (net of tax)	-	-	-	(0.63)	(0.63)
Corporate Dividend	-	-	(14.68)	-	(14.68)
Transaction Cost on issue of shares	-	(1.79)	-	-	(1.79)
Share Premium	-	403.73	-	-	403.73
<b>Balance as at 31 March 2023</b>	<b>211.05</b>	<b>456.24</b>	<b>2,495.48</b>	<b>(1.15)</b>	<b>3,161.63</b>
Profit for the year period ending March 31, 2024	-	-	856.67	-	856.67
Remeasurements of the defined benefit asset (net of tax)	-	-	-	(0.13)	(0.16)
Corporate Dividend	-	-	(50.13)	-	(50.13)
Transaction Cost on issue of shares	-	(402.98)	-	-	(402.98)
Share Premium	-	5,341.96	-	-	5,341.96
<b>Balance as at 31 March, 2024</b>	<b>211.05</b>	<b>5,395.22</b>	<b>3,302.03</b>	<b>(1.28)</b>	<b>8,907.01</b>

See accompanying notes to the financial statements

As per our report of even date

**For Mukesh M Shah & Co.**

Chartered Accountants

Firm Registration No: 106625W

**Harsh Kejriwal**

Partner

Membership Number : 128670

Place : Ahmedabad

Date : May 21,2024

For and on behalf of the Board

**IRM Energy Limited**
**M. Sahu**

Chairman

DIN : 00034051

**Harshal Anjaria**

CFO

Place : Ahmedabad

Date : May 21,2024

**Karan Kaushal**

CEO

**Shikha Jain**

Company Secretary

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 1. Company Information

IRM Energy Limited (formerly known as IRM Energy Private Limited) was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company was converted into Public Company consequent to which a fresh certificate of incorporation dated 23rd March, 2022 was issued by the Registrar of Companies, Gujarat at Ahmedabad. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib District in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB). The Company was awarded the authorisation for City Gas Distribution in the geographical areas of Namakkal and Tiruchirappalli Districts in the State of Tamil Nadu in March, 2022 and has started supplying natural gas in this geographical area also.

The registered office of the Company is located at 4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S.G. Highway, Ahmedabad - 380054, Gujarat.

## 2. Basis of Preparation & Measurement

The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

## 3. Summary of Material accounting policies

### 3.1 Statement of compliance

The Consolidated Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### 3.4 Principles of equity accounting for Consolidation

The Company has included its below joint venture, associates and subsidiary in these consolidated financial statements (referred to as group).

Sr. No	Name of Company	Country of Incorporation	Relationship	Shareholding as at	
				March 31, 2024	March 31, 2023
1	Farm Gas Private Limited	India	Associate	37.5%	50%
2	Venuka Polymers Private Limited	India	Associate	33.33%	50%
3	Ni-Hon Cylinders Private Limited	India	Joint Venture	50%	50%
4	SKI-Clean Energy Private Limited	India	Subsidiary	70%	70%
5	SAF Clean Energy Private Limited	India	Associate	37.5%	13%

### 3.2 Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit & other long-term employee benefits.

### 3.3 Current vs Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- The asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
- The asset is intended for sale or consumption;
- The asset/liability is held primarily for the purpose of trading;
- The asset/liability is expected to be realised/settled within twelve months after the reporting period.
- The asset is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- In case of liability, the Company does not have unconditional right to defer the Settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and time between acquisition of assets for processing and their realisation in cash and cash equivalents.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there exists such evidence, the Group determines extent of impairment and then recognises the loss in the Consolidated Statement of Profit and Loss.

The Consolidated Financial Statements have been prepared on the following basis:

## Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses and other comprehensive income.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 3.2 below.

## Subsidiary Entity

The financial statements of the Parent and subsidiary entities have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses in accordance with Ind AS 110 "Consolidated Financial Statements". Further, the carrying amount of the Parent's investments in subsidiary and the Parent's portion of equity in subsidiary are eliminated on consolidation.

## Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Accordingly, the share of profit/ loss of each of the associate companies, joint venture (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

### 3.5 Use of estimates and Judgements

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the use of certain critical

accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these Consolidated Financial Statements are disclosed below.

The preparation of Consolidated Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the Consolidated Financial Statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

When preparing the Consolidated Financial Statements, management undertakes a number of judgments, estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

- (i) **Income Taxes:** Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.
- (ii) **Property, plant & equipment:** Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.
- (iii) **Employee Benefits:** Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- (iv) **Impairment of assets & investments:** Significant judgment is involved in determining the estimated future cash flows from the investments, Property, Plant & Equipment & Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.
- (v) **Deferred Tax:** Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.
- (vi) **Recognition & measurement of unbilled gas sales revenues:** In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.
- (vii) **Recognition & measurement of other provisions:** The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.
- (viii) **Provision on receivables/advances:** The Company has a defined policy for provision of receivables which is based on the ageing of receivables. The Company reviews the policy at regular intervals.
- (ix) **Provision for Inventory including Capital Inventory:** The Company has a defined policy for provision of slow and non-moving inventory based on the ageing of inventory. The Company reviews the policy at regular intervals.
- (x) **Fair value measurement of financial instruments:** In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## 3.6 Property, Plant & Equipment

- (i) Freehold land is carried at historical cost.
- (ii) Property, Plant and Equipment other than land are stated at cost of acquisition / construction less accumulated depreciation and impairment losses, if any.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project which includes freight, duties & taxes (to the extent credit is not available), other incidental expenses relating to acquisition and installation and pre-operative expenses. These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses incurred towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

- (iii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

(iv) Depreciation is provided as follow:

- Depreciation is charged on a pro-rata basis on the straight line method ('SLM') as prescribed in Schedule II to the Companies Act, 2013 which are in line with their estimated useful life, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets 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 etc.

The estimated Useful life of Asset is below

Name of Asset	Useful life
Building	25 Years
Computer and Laptops	3 Years
Plant and Machinery- Pipelines and Last Mile Connectivity	25 Years
Plant and Machinery- CNG Stations Equipments and Installations	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Vehicles	5 Years
Software	5 Years

- o The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful life.
- o For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.
- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- Depreciation on additions to Property, Plant and Equipment made during the period

having cost of ₹ 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.

- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.
- The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised. (Cross Reference Note Impairment)

(v) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

Useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

### 3.7 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

of differences in foreign exchange rates on settlement/ translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

## 3.8 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers in its capacity as agent.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/ fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT), Goods & Service Tax And is net of trade discounts or quantity discounts.

Unbilled revenue is recognised from the end of the last billing cycle to the Balance Sheet date since the related supply of natural gas are performed.

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as an when the Company receives the amount from such customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under the head "Deposit from Customers" in the balance sheet.

Interest income is reported on an accrual basis using the effective interest method.

Dividends Income from investment is recognised at the time the right to receive payment is established.

## 3.9 Borrowing Costs

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or

construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time (i.e. twelve months or more) to get ready for their intended use or sale.

Transaction cost in respect of long-term borrowings are amortised over the tenor of respective loan.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

## 3.10 Impairment of Property, Plant & Equipment & Intangible Assets and investment in associated

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

## 3.11 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method. Where Cost of inventories includes all other costs incurred in bringing the inventories to their present location and condition and Net Realisable Value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the company.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

## 3.12 Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks 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 equivalents include short-term deposits with an original maturity of three months or less from the date of acquisition.

## 3.13 Accounting for Income Taxes

Income tax expenses comprise current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

- (i) 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 & liabilities attributable to temporary differences & 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 i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. 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.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

- (ii) Deferred Tax is provided in full on temporary difference arising between the tax bases of the assets & liabilities & their carrying amounts in Consolidated Financial Statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income & accounting income that originate in one period & are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses & the carry forward of unused tax credits.

Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax Assets are recognised for all deductible temporary differences & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax

balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit & loss & shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date & reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date & are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

## 3.14 Leases

### The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a initial application date i.e. 1 April 2019. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

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 ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease Consolidated. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## 3.15 Employee Benefits

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting & 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.

### (i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Company does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

### (ii) Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is computed at the end of each financial year on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds.

The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

- Service costs comprising current service costs, past-service costs, gains & losses on curtailments & non-routine settlements;
- Net interest expense or income.

### (iii) Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

### 3.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 42.

### 3.17 Provisions, Contingent Liabilities & Contingent Assets

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

### 3.18 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or accruals of past or future operating cash receipts or payments & item of income or expenses

associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

### 3.19 Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the Consolidated Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change & commitment affecting the financial position are disclosed in the Directors' Report.

### 3.20 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 3.21 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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

#### a. Financial Assets

##### (i) Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

##### (ii) Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

financial assets and the contractual cash flow characteristics of the financial assets.

### (iii) Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

#### Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

#### Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

#### Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

#### Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

#### Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

# Notes to Consolidated Financial Statements

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### iii. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

### Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

### b. Financial Liabilities

#### i. Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of amortised cost, net of directly attributable transaction costs.

#### ii. Subsequent measurement

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

##### Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the P&L. However, the Company may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

### iii. Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

## c. Modifications of financial assets and financial liabilities

### Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The

gain / loss is recognised in other equity in case of transaction with shareholders.

### Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

## 3.22 Fair Value Measurements

These Consolidated Financial Statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

# Notes to Consolidated Financial Statements

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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets & liabilities that are recognised in the Consolidated Financial Statements on a recurring

basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**3.23** The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Million Indian Rupees. Items reflecting as 0.00 denotes value less than ₹ 5000.

**3.24** Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

The company adopted Disclosure of Accounting (amendment to Ind AS 1) from April 1, 2023. Although the amendment did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the standalone financial statement.

The amendment requires the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the standalone financial statement.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 4.1 Property, Plant and Equipment (PPE)

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2022</b>	<b>22.14</b>	<b>151.66</b>	<b>2957.13</b>	<b>14.68</b>	<b>18.5</b>	<b>20.67</b>	<b>28.28</b>	<b>3213.06</b>
Addition	37.60	66.27	819.71	6.50	3.37	2.94	13.62	950.03
Disposal/Adjustments/ Transfer	-	-	(5.05)	-	-	-	-	(5.05)
<b>Balance as on March 31, 2023</b>	<b>59.75</b>	<b>217.92</b>	<b>3,771.79</b>	<b>21.18</b>	<b>21.87</b>	<b>23.61</b>	<b>41.91</b>	<b>4,158.04</b>
Addition	164.41	227.33	1,564.53	8.66	0.77	0.17	18.36	1,984.23
Disposal/Adjustments/ Transfer	-	-	-	-	-	-	-	-
<b>Balance as on March 31, 2024</b>	<b>224.16</b>	<b>445.24</b>	<b>5,336.33</b>	<b>29.84</b>	<b>22.64</b>	<b>23.78</b>	<b>60.27</b>	<b>6,142.26</b>

### Depreciation and Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2022</b>	-	<b>16.51</b>	<b>325.75</b>	<b>6.31</b>	<b>3.84</b>	<b>1.86</b>	<b>10.6</b>	<b>364.88</b>
Addition	-	7.49	159.42	4.48	2.00	4.04	6.96	184.42
Disposal/Adjustments/ Transfer	-	-	(1.38)	-	-	-	-	(1.38)
<b>Balance as on March 31, 2023</b>	-	<b>24.00</b>	<b>483.78</b>	<b>10.78</b>	<b>5.84</b>	<b>5.90</b>	<b>17.57</b>	<b>547.89</b>
Addition	-	10.49	204.54	6.33	2.19	4.70	9.72	237.97
Disposal/Adjustments/ Transfer	-	-	-	-	-	-	-	-
<b>Balance as on March 31, 2024</b>	-	<b>34.49</b>	<b>688.32</b>	<b>17.11</b>	<b>8.03</b>	<b>10.60</b>	<b>27.30</b>	<b>785.84</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Freehold Land	Buildings	Plant and Machinery	Computers and laptops	Furnitures & Fixtures	Vehicles	Office Equipments	Total
<b>Balance as on March 31, 2023</b>	<b>59.75</b>	<b>193.92</b>	<b>3,288.02</b>	<b>10.40</b>	<b>16.03</b>	<b>17.71</b>	<b>24.33</b>	<b>3610.15</b>
<b>Balance as on March 31, 2024</b>	<b>224.16</b>	<b>410.75</b>	<b>4,648.01</b>	<b>12.74</b>	<b>14.61</b>	<b>13.18</b>	<b>32.98</b>	<b>5,356.42</b>

### Note :

- (1) For charges created on aforesaid assets, refer note 18
- (2) The Company has not revalued any item of property, plant and equipment (including right-of-use assets) or intangible assets during the current and previous year
- (3) Refer note 38 for Related Party Balances

## 4.2 Capital Work-in-Progress (project under construction)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Balance as on March 31, 2023	823.48	81.86	0.17	5.34	910.85
Balance as on March 31, 2024	605.34	188.30	68.74	5.51	867.89

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 4.2 Capital Work-in-Progress (project under construction) (PPE) (Contd..)

### Note:

- (i) Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to Rs. 164.23 million ( 31st March, 2023: Rs. 55.99 million)
- (ii) Refer note 38 for Related Party Balances
- (iii) For charges created on aforesaid assets, refer note 18
- (iv) There are no Projects as at reporting date which has exceeded cost as Compared to its Original Approved Plan. The Company Follows Practice of Seeking approval for annual capital expenditure plan for each of the geographical /Projects areas.
- (v) Refer Note 40(B) for the Capital Commitments.

## 4.3 Intangible assets

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2022</b>	<b>10.54</b>	<b>31.15</b>	<b>41.70</b>
Addition	2.26	13.00	15.25
Disposal/ Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2023</b>	<b>12.80</b>	<b>44.15</b>	<b>56.95</b>
Addition	1.66	6.96	8.61
Disposal/ Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2024</b>	<b>14.46</b>	<b>51.10</b>	<b>65.56</b>

### Depreciation and Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2022</b>	<b>3.48</b>	<b>11.68</b>	<b>15.16</b>
Addition	1.30	6.84	8.14
Disposal/ Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2023</b>	<b>4.77</b>	<b>18.52</b>	<b>23.30</b>
Addition	0.97	9.76	10.73
Disposal/ Adjustments/ Transfer	-	-	-
<b>Balance as on March 31, 2024</b>	<b>5.74</b>	<b>28.29</b>	<b>34.03</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Softwares	Right of Way charges	Total
<b>Balance as on March 31, 2023</b>	<b>8.03</b>	<b>25.63</b>	<b>33.65</b>
<b>Balance as on March 31, 2024</b>	<b>8.71</b>	<b>22.82</b>	<b>31.53</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 4.4 Right to Use Assets

### Gross Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2022</b>	<b>60.86</b>	<b>36.67</b>	<b>56.31</b>	<b>153.84</b>
Addition	48.18	-	1.24	49.42
Disposal/ Adjustments/ Transfer				
<b>Balance as on March 31, 2023</b>	<b>109.04</b>	<b>36.67</b>	<b>57.54</b>	<b>203.26</b>
Addition	39.51	-	-	39.51
Disposal/ Adjustments/ Transfer	-			
<b>Balance as on March 31, 2024</b>	<b>148.56</b>	<b>36.67</b>	<b>57.54</b>	<b>242.77</b>

### Amortization

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2022</b>	<b>16.24</b>	<b>0.61</b>	<b>7.55</b>	<b>24.41</b>
Addition	7.23	7.45	1.76	16.43
Disposal/ Adjustments/ Transfer				
<b>Balance as on March 31, 2023</b>	<b>23.47</b>	<b>8.06</b>	<b>9.31</b>	<b>40.84</b>
Addition	6.27	8.80	0.96	16.03
Disposal/ Adjustments/ Transfer				
<b>Balance as on March 31, 2024</b>	<b>29.74</b>	<b>16.86</b>	<b>10.27</b>	<b>56.87</b>

### Net Block

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Right to Use - For Land	Right to Use - For Plant and Machinery	Right to Use - For Building	Total
<b>Balance as on March 31, 2023</b>	<b>85.57</b>	<b>28.61</b>	<b>48.23</b>	<b>162.41</b>
<b>Balance as on March 31, 2024</b>	<b>118.81</b>	<b>19.81</b>	<b>47.27</b>	<b>185.90</b>

## 5 Investments

### 5A Non Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Unquoted Investment in Equity Instruments of Associate Entity (measured at amortised cost)</b>		
- 25,82,016 Equity Shares (Inculding 8,60,672 bonus shares) of ₹ 10 each fully paid of Farm Gas Private limited (31st March, 2023: 17,21,344) (Farm Gas Private Limited incorporated in india ,Operating in City Ludhiana( Punjab State))	168.53	226.03
- 10,50,800 Equity Shares of ₹ 10 each fully paid of Venuka Polymers Private limited (31st March, 2023: 10,50,800) (Venuka Polymers Private Limited incorporated in india ,Operating in City Vadodara (Gujarat state))	10.38	9.54

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
- 50,000 Equity Shares of ₹ 10 each fully paid of Ni- Hon Cylinders Private limited (31st March, 2023: 50,000) (Ni-Hon Cylinders Private Limited incorporated in india ,Operating in City Delhi)	-	1.62
<b>(ii) Unquoted Investment in Preference Shares of Associate Entity (measured at amortised cost)</b>		
- 44,50,000 Units, 10.50% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid of Farm Gas Private limited (31st March, 2023: 44,50,000) (Farm Gas Private Limited incorporated in india ,Operating in City Ludhiana (Punjab State))	44.50	44.50
- 42,10,200 Units 10.50% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid of Venuka Polymers Private Limited (31st March, 2023: 42,10,200) (Venuka Polymers Private Limited incorporated in india ,Operating in City Vadodara (Gujarat state))	42.10	42.10
	<b>265.51</b>	<b>323.79</b>

## 5B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unquoted Investment in Units of Mutual Fund (Carried at FVTPL)</b>		
Union Medium Duration Fund 4,48,477 units (31st March, 2023: 4,48,477)	5.24	4.90
Baroda BNP Paribas Flexi cap fund- Regular plan- Growth 19,99,890 units (31st March, 2023: 19,99,890)	27.04	19.33
Baroda BNP Paribas Multi Asset Fund Regular Growth 20,99,885 units (31st March, 2023: 20,99,885)	26.97	20.99
Union Corporate Bond Fund Regular Plan Growth 21,99,131 units (31st March, 2023: 18,16,726)	30.33	23.40
Union Business cycle Fund - Regular Growth 2,49,977 units (31st March, 2023: Nil )	2.53	-
Union Innovation and Opportunities fund- Reg Growth 9,99,940 units (31st March, 2023: Nil)	11.13	-
Union Multi cap- Regular Plan - Growth 2,49,977 units (31st March, 2023: 2,49,977)	3.34	2.34
Baroda BNP Paribas Small Cap Fund Regular Growth 4,99,965 units (31st March, 2023: Nil)	5.71	-
Baroda BNP Paribas Innovation fund Regular Growth 39,99,790 units (31st March, 2023: Nil)	41.17	-
Baroda BNP Paribas Liquid fund - Regular Plan-Growth Nil (31st March, 2023: 39211.650 Units)	-	100.79
Baroda BNP Paribas Overnight Fund- Regular Plan-Growth Nil (31st March, 2023: 42573.336 Units)	-	50.01
Union Overnight Fund Growth Nil (31st March, 2023: 42536 Units)	-	50.01
Union liquid Fund Growth Nil (31st March, 2023: 88882 Units)	-	190.91
Union Liquid Fund - Direct -Growth Nil (31st March, 2023: 1181 Units)	-	2.56
Baroda Business Cycle Fund Nil (31st March, 2023: 50,75,801 Units)	-	49.88
Union Flexi Cap Fund	-	4.71

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 5 Investments (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Nil (31st March, 2023: 1,46,033 Units)		
Union Focused Fund	-	4.08
Nil (31st March, 2023: 2,37,661 Units)		
Union Hybrid Equity Fund	-	15.27
Nil (31st March, 2023: 12,49,937 Units)		
Union Large & Midcap Fund	-	4.07
Nil (31st March, 2023: 2,57,001 Units)		
	<b>153.46</b>	<b>543.25</b>
<b>Aggregate amount of Unquoted Investments in Units of Mutual Funds</b>	<b>132.98</b>	<b>541.34</b>
<b>Aggregate Increase/(diminution) in the value of Unquoted Investments in Units of Mutual Funds</b>	<b>20.48</b>	<b>1.91</b>

# 16,18,068 units are under lien with Bank for LC/BG issuance ( Union Corporate Bond Fund Regular Plan - Growth)

## 6 Financial asset- Non-current

### 6A Loans

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to Related Parties - Secured	-	74.90
Employee Loan	5.08	0.74
	<b>5.08</b>	<b>75.64</b>

Refer Note 12 for the Loan to related party is transferred From Non Current financial assets to Current financial assets.

Refer note 38 for Related Party Balances

### 6B Other financial assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit - Unsecured	60.09	26.04
<u>Bank Balances</u>		
Balance in FDR Accounts*	29.01	84.00
*The Company has issued Bank Guarantees in favour of PNGRB during normal course of business. Such Bank Guarantees are issued by the Banks against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of more than 12 months.		
	<b>89.10</b>	<b>110.04</b>

Refer note 38 for Related Party Balances

## 7 Other non-current assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances [Unsecured, considered good]	288.74	331.38
Unamortised expenses - Borrowing Cost under EIR	24.02	17.46
Prepaid Expenses	60.22	55.29
	<b>372.98</b>	<b>404.13</b>

Refer note 38 for Related Party Balances

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 8 Income Tax Asset (Net)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provision)	19.61	42.26
	<b>19.61</b>	<b>42.26</b>

## 9 Inventories (measured at lower of cost or net realisable value)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Natural Gas	27.57	9.52
Spares and Consumables	15.28	9.77
	<b>42.85</b>	<b>19.29</b>

Note : Inventories are hypothecated to secure working capital facilities from bank.

## 10 Current financial assets : Trade receivables

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good (secured against security deposits))	266.16	288.20
Unsecured, considered good (Others)	101.86	98.02
Secured, considered good - credit impaired	0.20	-
	<b>368.21</b>	<b>386.22</b>
Less: Allowances for Expected Credit Loss ("ECL")	(0.20)	-
	<b>368.01</b>	<b>386.22</b>

Refer Note 18 on borrowings for details in terms of pledge of assets as security.

Refer note 38 for Related Party Balances

### Trade Receivables Ageing Schedule as on 31.03.2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	45.97	267.35	4.69	13.40	27.86	8.70	0.04	368.01
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.20	-	-	-	-	-	0.20
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
	<b>45.97</b>	<b>267.55</b>	<b>4.69</b>	<b>13.40</b>	<b>27.86</b>	<b>8.70</b>	<b>0.04</b>	<b>368.21</b>
Less: Allowances for Expected Credit Loss ("ECL")								(0.20)
<b>Total</b>								<b>368.01</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 10 Current financial assets : Trade receivables (Contd..)

### Trade Receivables Ageing Schedule as on 31.03.2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade receivables - considered good	25.10	243.31	117.53	0.27	-	0.01	-	386.22
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
	<b>25.10</b>	<b>243.31</b>	<b>117.53</b>	<b>0.27</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>386.22</b>
Less: Allowances for Expected Credit Loss ("ECL")								-
<b>Total</b>								<b>386.22</b>

## 11 Current financial assets

### 11A Cash and cash equivalents

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with banks		
Balance in Current Accounts	676.32	218.10
(b) Cash on hand	1.01	0.65
(c) Fixed Deposit Less than 3 Months Maturity	1,900.59	268.14
	<b>2,577.92</b>	<b>486.89</b>

There is no restriction with regard to cash and cash equivalents as the end of reporting year and previous year

### 11B Bank balances other than above

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(a) Margin Money deposits under lien against DSRA, Bank Guarantee and/or Stand By Letter of Credit (SBLC)*</b>	527.97	444.53
*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 3 months to 12 months. Further, as per the financing document, the Company has also created Debt Service Reserve Account as Fixed Deposit with the Bank.		
<b>(b) Fixed Deposit with tenor between 3 months to 12 months (unlien)</b>	1,771.89	53.39
	<b>2,299.86</b>	<b>497.92</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 12 Loans

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to Related Parties - Secured	74.90	-
Employee Loan	9.70	0.98
	<b>84.60</b>	<b>0.98</b>

Type of Borrower	Amount	% of Total Loans and Advances	Terms of Repayment and Interest rate
Joint Control entities	74.90	89%	The Loan is secured against charge on current asset incl. receivables and cashflow of the Company. The Loan carries interest of 10.50% p.a. and is repayable on July 31, 2024

Note 1 : The Above loans has been given for the business purpose.

Note 2 : Refer Note 6A for the Loan to related party is transferred From Non Current financial assets to Current financial assets.

Note 3 : Refer note 38 for Related Party Balances

## 13 Current financial assets : Others

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Receivable	34.60	18.44
Deposit - Current	18.46	18.68
Imprest amount with Employees	0.36	0.76
Other Receivable	19.24	-
	<b>72.67</b>	<b>37.88</b>

Refer note 38 for Related Party Balances

## 14 Other current assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Suppliers (Unsecured, Considered good)	145.49	164.12
Unamortised expenses - Borrowing Cost under EIR	1.90	-
IPO Expenses*	-	90.37
Prepaid Expense	25.41	29.17
	<b>172.80</b>	<b>283.66</b>

\*The Company has successfully completed the Initial Public Offering of its equity shares. Consequent to the same, IPO expense are accounted as share Issue Cost and Transfer to Securities Premium.

Refer note 38 for Related Party Balances

## 15 Share capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised :</b>		
5,00,00,000 Equity Shares of ₹10/- Each ( as at 31st March, 2023: 5,00,00,000 shares)	500.00	500.00
4,00,00,000 Preference Shares of ₹10/- Each ( as at 31st March, 2023: 4,00,00,000 shares)	400.00	400.00
	<b>900.00</b>	<b>900.00</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 15 Share capital (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Issued, Subscribed and Fully Paid-up Equity Shares :</b>		
<b>Equity shares</b>		
4,10,59,677 Equity Shares of ₹10/- each (as at 31st March, 2023: 3,02,59,677 shares)	410.60	302.60
<b>Preference shares</b>		
10% Redeemable Preference Shares 3,49,99,432 shares of ₹ 10/- each (as at 31st March, 2023: 3,49,99,432 shares)	-	-
	<b>410.60</b>	<b>302.60</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A (i) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period / year		
- Number of shares	30,259,677.00	29,369,677.00
- In ₹ Million	302.60	293.70
Change during the period / year		
- Number of shares	1,08,00,000.00	890,000.00
- In ₹ Million	108.00	8.90
At the end of the period / year		
- Number of shares	41,059,677.00	30,259,677.00
- In ₹ Million	410.60	302.60
<b>A (ii) Reconciliation of 10% Non Cumulative Reedemable Preference Shares outstanding at the beginning and at the end of the reporting period</b>		
At the beginning of the period / year		
- Number of shares	34,999,432.00	34,999,432.00
- In ₹ Million	349.99	349.99
Change during the period / year		
- Number of shares	-	-
- In ₹ Million	-	-
At the end of the period / year		
- Number of shares	34,999,432.00	34,999,432.00
- In ₹ Million	349.99	349.99

Particulars	As at March 31, 2024	As at March 31, 2023
<b>B Details of shareholders holding more than 5% shares in the Company and details of shares held by promoters:</b>		
<b>i) Equity Shares</b>		
Cadila Pharmaceuticals Ltd (Promoter)		
- Number of shares	14,978,535.00	14,978,535
- % Holding	36.48%	49.50%
- Change during period	-26.30%	-1.50%
Dr. Rajiv I. Modi (Trustee of IRM Trust) (Promoter)		
- Number of shares	5,580,238.00	5,580,238
- % Holding	13.59%	18.44%
- Change during period	-26.31%	-0.56%
Enertech Distribution Management Pvt. Ltd.		
- Number of shares	8,670,126.00	8,670,126
- % Holding	21.12%	28.65%

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 15 Share capital (Contd..)

- Change during period	-26.29%	-0.87%
<b>ii) 10% Non Cumulative Redeemable Preference Shares</b>		
Cadila Pharmaceuticals Ltd (Promoter)		
- Number of shares	34,999,432.00	34,999,432.00
- % Holding	100.00%	100.00%
- Change during period		

### C Terms / rights attached to equity shares:

#### (i) Equity Shares:

The company has only one class of equity shares having par value of ₹ 10 per share. Equity shareholders are entitled to one vote per share held. The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

#### (ii) Redeemable Non- Cumulative Preference Shares (RPS):

The preference shares carries redemption period of 10 years from the date of issuance. The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

## 16 Reserves and surplus

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Equity</b>		
<b>A. Retained Earnings</b>		
Opening balance	2,495.48	1,878.70
Add: Transfer from statement of profit and loss	856.67	631.45
Less: Dividend on Equity shares	(50.13)	(14.68)
Less: Items routed through SOCIE	-	-
<b>Closing balance</b>	<b>3,302.03</b>	<b>2,495.48</b>
<b>B. Equity Component of Preference Shares (refer note iii below)</b>		
<b>i) OCCPS (Optionally Convertible Cumulative Preference Shares)</b>		
Opening Balance	0.24	0.24
Equity Component of OCCPS	-	-
<b>Closing Balance</b>	<b>0.24</b>	<b>0.24</b>
<b>ii) Non Cumulative Redeemable Preference Shares</b>		
Opening Balance	210.81	210.81
Equity Component of non-cumulative redeemable preference shares	-	-
<b>Closing Balance</b>	<b>210.81</b>	<b>210.81</b>
<b>Closing balance (i+ii)</b>	<b>211.05</b>	<b>211.05</b>
<b>C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect</b>		
Opening Balance	(1.15)	(0.52)
Remeasurement of the net defined benefit liability/asset, net of tax effect*	(0.13)	(0.63)
<b>Closing balance</b>	<b>(1.28)</b>	<b>(1.15)</b>
<b>D. Securities Premium</b>		
Opening Balance	456.24	54.28
Addition during the year	5,341.96	403.73
Less: Transaction cost on issue of share (net of tax benefit)	(402.98)	(1.79)
<b>Closing Balance</b>	<b>5,395.22</b>	<b>456.24</b>
<b>Total Reserves</b>	<b>8,907.01</b>	<b>3,161.63</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## Notes:

- Security premium represents the premium received on issue of shares over and above the face value of Equity Shares. Such amount is available for utilization in accordance of the Provisions of the Companies Act, 2013
- The portion of profits not distributed among the shareholders are termed as Retained Earnings. The Group may utilize the retained earnings for making investments for future growth and expansion plans or any other purpose as approved by the Board of Directors of the Company.
- This reserve represents the cumulative gains and losses arising on the remeasurement of equity investments measured at fair value through other comprehensive income.

## 17 Non Controlling Interest

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.05	-
Add: Profit/(Loss) for the period	(0.04)	0.05
	<b>0.01</b>	<b>0.05</b>

## 18 Non-current financial liabilities : Borrowings

### 18A Non-Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured (carried at amortized cost)</b>		
Rupee Term loans from banks	270.00	1,560.02
Vehicle Loan	8.03	9.79
<b>Unsecured</b>		
Term loans from banks	631.25	1,050.00
<b>Preference shares</b>		
liability component 10% Non cumulative Redeemable Preference Shares of ₹ 10/- each	222.42	202.15
	<b>1,131.70</b>	<b>2,821.96</b>

### 18B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured (carried at amortized cost)</b>		
Rupee Term loans from banks		
Current Maturities of Non Current Borrowings	161.25	214.80
Working Capital Loan from Banks	99.85	-
Vehicle Loan	1.75	1.59
<b>Unsecured</b>		
Current Maturities of Non current borrowings	710.45	-
	<b>973.31</b>	<b>216.39</b>

### (A) Details of Secured loans

#### From Banks

Particulars	Terms of Repayment and Interest rate
Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda , Union Bank of India and Punjab National Bank)	1st Tranche: 20 quarterly installments from April, 2023 2nd Tranche: 20 quarterly installments from April, 2027 and Interest rate applicable is 1 year MCLR + 0.75%.
Unsecured Loan from HDFC Bank Limited: To meet the Capex Requirement of the company	20% of the term Loan is repayable in the Second Year and Balance 80% of the Term Loan is Repayable in the Third Year and Interest rate applicable is 3 months T - Bill + 1.79%

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 18 Non-current financial liabilities : Borrowings (Contd..)

Unsecured Loan from Kotak Bank Limited: To meet the Capex Requirement of the company	1st Tranche: Loan shall Be Repaid by way of 8 Equal Installments starting From 15 th Month Following The Month Of First Disbursement and Interest Rate applicable is 3 Month MCLR +0.10% 2nd Tranche: Loan shall Be Repaid by way of 8 Equal Installments starting From 12 th Month Following The Month Of First Disbursement and Interest Rate applicable is 3 Month MCLR +0.10%
Overdraft : to meet the working capital Requirement in Geographical area of Banaskhadha and Fatehgarh sahib	Repayable in 12 months from the date of Disbursement and interest rate applicable is 8.90%.
Vehicle Loans (Union Bank of India)	Repayable in 84 Equivalent Monthly Installments and interest rate linked to 3 month EBLR + 0.60%

### (B) The details of security given for all loans are as under:

#### (i) The Rupee Term Loan is secured as below:

- First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- Exclusive charge on DSRA created for the specific project.
- First charge on the Trust and Retention Account of the specific project on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

#### (ii) The Working Capital is secured as below:

- Second Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

(iii) The Vehicle Loans are secured by Charge on Vehicle.

(iv) There is no default in repayment of loan and interest thereon as on 31st March 2024 and 31 March, 2023

(v) The Gross book value of the fixed assets as on March 31, 2024 charged in favour of the lenders is ₹ 7075.71 million ( March 31, 2023 ₹ 5125.84 million)

(vi) For more security details on bank financing, refer Note - 41

(vii) The borrowings obtained by the company and joint controlled and Subsidiary entities from banks have been applied for the purposes for which such loans were taken.

## 19 Non-Current Liabilities : Lease Liabilities

### 19A Non-Current Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	177.98	150.71
	<b>177.98</b>	<b>150.71</b>

### 19B Current Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	11.29	8.54
	<b>11.29</b>	<b>8.54</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 20 Current financial liabilities : Trade payables

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Total outstanding dues of micro enterprises and small enterprises:-</b>		
Trade Payables : Micro and Small enterprises	32.85	1.85
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises:-</b>		
Trade payables - Gas Purchase / Transmission	222.26	237.72
Trade payables - Others	37.96	71.97
	<b>293.07</b>	<b>311.54</b>

### Trade Payables Ageing Schedule as on 31.03.2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Not Due	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	23.55	8.45	0.84	0.01	-	32.85
(ii) Others	252.18	6.18	1.54	0.30	0.02	260.22
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

### Trade Payables Ageing Schedule as on 31.03.2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	Not Due	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	1.84	-	0.01	-	-	1.85
(ii) Others	309.03	0.34	0.03	0.02	-	309.69
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Note : Refer note 38 for Related Party Balances

## 21 Other financial liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
Customer Security Deposit	325.21	273.70
Creditors for Capital Goods	78.89	81.37
	<b>404.10</b>	<b>355.07</b>
<b>Current</b>		
Creditors for Capital Goods	333.05	197.22
provision for Expenses	45.28	182.90
	<b>378.33</b>	<b>380.12</b>

Note : Refer note 38 for Related Party Balances

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 22 Provisions

### 22A Non-Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Gratuity	9.99	7.30
Provision for Compensated Absences	9.15	6.42
	<b>19.14</b>	<b>13.72</b>

### 22B Current

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision For Gratuity	0.46	0.58
Provision for Compensated Absences	-	-
	<b>0.46</b>	<b>0.58</b>

Refer note 34 for Gratuity and Compensated Absences

## 23 Current liabilities : Others

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	35.14	20.93
	<b>35.14</b>	<b>20.93</b>

## 24 Deferred Tax Liabilities (net)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	224.05	185.19
	<b>224.05</b>	<b>185.19</b>

### A The gross movement in the deferred tax account are as follows :

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	As at March 31, 2024	As at March 31, 2023
Net deferred tax asset/ (liability) at the beginning of the period / year	185.22	147.09
<b>Deferred Tax Liabilities</b>		
Property, plant and equipment & Intangible assets	96.61	49.86
(a)	<b>96.61</b>	<b>49.86</b>
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	1.33	1.14
Preliminary Expenses (IPO Expenses)	48.89	-
Lease Liability	7.55	10.62
(b)	<b>57.77</b>	<b>11.76</b>
<b>Net (a-b)</b>	<b>38.84</b>	<b>38.10</b>
<b>Net deferred tax asset/ (liability) at the end of the period / year</b>	<b>224.05</b>	<b>185.19</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 24 Deferred Tax Liabilities (net) (Contd..)

### B Movement in Deferred Tax Liability(net) for the year Ended March 31,2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	As at April 1,2023	Recognised in P & L	Recognised in OCI	As At March 31,2024
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Property, Plant and Equipment, Other Intangible assets and Right-of-Use Assets	49.86	46.75	-	96.61
<b>TOTAL</b>	<b>49.86</b>	<b>46.75</b>	<b>-</b>	<b>96.61</b>
<b>Tax effect of items constituting deferred tax asset:</b>				
Employee Benefit Liability	1.14	0.14	0.05	1.33
Lease Liability	10.62	(3.07)	-	7.55
Preliminary Expenses (IPO Expenses)	-	48.89	-	48.89
<b>TOTAL</b>	<b>11.76</b>	<b>45.96</b>	<b>0.05</b>	<b>57.77</b>
<b>Net Deferred Tax Liability</b>	<b>38.10</b>	<b>0.79</b>	<b>(0.05)</b>	<b>38.84</b>

\*Denotes less than ₹ 5000

### Movement in Deferred Tax Liability(net) for the year Ended March 31,2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particular	As at April 1,2022	Recognised in P & L	Recognised in OCI	As At March 31,2023
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Property, Plant and Equipment, Other Intangible assets and Right-of-Use Assets	69.52	(19.66)	-	49.86
<b>TOTAL</b>	<b>69.52</b>	<b>(19.66)</b>	<b>-</b>	<b>49.86</b>
<b>Tax effect of items constituting deferred tax asset:</b>				
Employee Benefit Liability	0.67	0.26	0.21	1.14
Lease Liability	15.31	(4.69)	-	10.62
<b>TOTAL</b>	<b>15.98</b>	<b>(4.43)</b>	<b>0.21</b>	<b>11.76</b>
<b>Net Deferred Tax Liability</b>	<b>53.54</b>	<b>(15.23)</b>	<b>(0.21)</b>	<b>38.10</b>

## 25 Revenue from Operations

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Sale of Goods		
CNG Sales (including Excise Duty)	5,382.29	4,722.84
PNG Sales	4,137.09	5,629.64
Sale of Services		
Connection Income	37.98	31.71
Other Operating Revenues	8.04	7.16
	<b>9,565.40</b>	<b>10,391.35</b>

Refer note 38 for Related Party Balances

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 26 Other Income

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Gain on remeasurement of Mutual Funds	18.56	0.52
Profit on sale of Mutual Fund	32.93	2.08
Corporate Guarantee Commission-Income	7.51	-
Rent Income	0.09	-
Profit on Sale of Asset	-	0.18
Other Income	0.08	-
Interest Income		
Bank Fixed Deposit	155.41	37.80
Others	23.61	19.06
	<b>238.19</b>	<b>59.64</b>

Refer note 38 for Related Party Balances

## 27 Purchases of stock-in-trade of natural gas

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Natural Gas	6,483.28	7,795.27
	<b>6,483.28</b>	<b>7,795.27</b>

Refer note 38 for Related Party Balances

## 28 Changes in inventories of Natural Gas

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Changes in inventories of finished goods, stock in trade and work in progress</b>		
<b>Natural Gas</b>		
Inventory at the beginning of the year	9.52	12.02
Less: Inventory at the end of the year	27.57	9.52
	<b>(18.05)</b>	<b>2.50</b>

## 29 Employee Benefits Expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages and bonus	98.26	76.93
Company's contribution to provident and other funds	10.72	7.25
Staff welfare expenses	14.89	6.65
	<b>123.87</b>	<b>90.83</b>

Refer note 38 for Related Party Balances

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 30 Finance Costs

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest Cost on		
- Term Loan	143.80	121.06
- Working Capital	2.79	3.91
- Preference Shares	20.27	18.38
- Lease Liability (refer Note 46)	20.49	14.17
- Others	13.02	22.12
Bank and Other Finance Charges	66.61	49.39
	<b>266.97</b>	<b>229.03</b>

## 31 Depreciation and Amortisation expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation of tangible assets (refer note 4.1)	248.71	184.42
Amortisation of intangible assets (refer note 4.4)	16.03	24.56
	<b>264.74</b>	<b>208.98</b>

## 32 Other Expenses

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Advertisement and Marketing Expenses	35.11	16.70
Business Promotion Expenses	3.22	3.40
Corporate Social Responsibility Expense	18.55	15.60
Consumption of Spares and Consumables	13.03	2.79
Director's Sitting Fees	4.93	4.88
Transportation Charges	307.06	293.03
Insurance Cost	8.47	7.80
Legal and Professional Charges	23.77	18.84
License Fees	42.89	35.10
Managerial Remuneration	12.36	7.32
Power and fuel	125.21	100.95
Rent (refer note 46)	14.85	9.83
Repairs and Maintenance		
- Buildings	0.18	0.10
- Plant and Machineries	150.91	156.68
- Others	0.86	3.20
Security Expense	9.61	6.94
Travelling, Lodging and Boarding	21.07	15.29
Allowance For Expected Credit Losses	0.20	-
Rates and Taxes	1.72	7.05
Miscellaneous expenses	33.55	84.02
	<b>827.57</b>	<b>789.52</b>

## 32A Payments to auditor\*

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
For Statutory Audit (Incl GST)	1.42	1.42
For Tax Audit (Incl GST)	0.29	0.29
For Certification & other reimbursements (incl. GST)**	2.36	4.20

\*Included in Legal and Professional Charges

\*\* Includes expenses for IPO related services i.e. Rs. 1.92 Millions for FY 23-24 and Rs. 3.98 Millions for FY 22-23.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 33 Tax Expense

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Corporate Tax- Current	192.33	141.29
Corporate Tax- Previous year	-	-
Deferred Tax (refer Note - 24)	87.75	38.28
	<b>280.08</b>	<b>179.57</b>

### A Reconciliation of Income Tax Expense with Accounting Profit

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Profit before Tax as per statement of Profit and Loss</b>	1,194.99	744.02
Income tax using the Company's domestic tax rate 25.17%	300.76	187.26
<b>Tax Effect of :</b>		
Expenses not deductible for tax purposes	55.51	-
Others	(76.18)	(7.69)
<b>Income Tax recognised in statement of profit and loss at effective rate</b>	<b>280.08</b>	<b>179.57</b>

## 34 Employee Benefits:

### (i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

### (ii) Long term employee benefits

#### (a) Gratuity (Unfunded):

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 the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Table Showing Change in the Present Value of Projected Benefit Obligation:</b>		
Present Value of Benefit Obligation at the Beginning of the Period	7.85	5.25
Interest Cost	0.59	0.38
Current Service Cost	2.19	1.45
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.41)	(0.07)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.33	(0.21)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.12)	1.05

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Present Value of Benefit Obligation at the End of the Period	10.43	7.85
<b>Table Showing Change in the Fair Value of Plan Assets:</b>		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
<b>Amount Recognized in the Balance Sheet:</b>		
(Present Value of Benefit Obligation at the end of the Period)	(10.43)	(7.85)
Funded Status (Surplus/ (Deficit))	(10.43)	(7.85)
Net (Liability)/Asset Recognized in the Balance Sheet	(10.43)	(7.85)
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period:</b>		
Current Service Cost	2.19	1.45
Net Interest Cost	0.59	0.38
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	2.78	1.83
<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:</b>		
Actuarial (Gains)/Losses on Obligation for the Period	0.21	0.85
Net (Income)/Expense For the Period Recognized in OCI	0.21	0.85
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	7.85	5.25
Expenses Recognized in Statement of Profit or Loss	2.78	1.83
Expenses Recognized in OCI	0.21	0.85
(Benefit Paid Directly by the Employer)	(0.41)	(0.07)
Net Liability/(Asset) Recognized in the Balance Sheet	10.43	7.85
<b>Assumptions:</b>		
No of Active Members	189	186
Per Month Salary for Active Members	5.20	4.58
Weighted Average Duration of the Projected Benefit Obligation	14	14
Average Expected Future Service	15	15
Projected Benefit Obligation (PBO)	10.43	7.85
Rate of Discounting	7.21%	7.48%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Prescribed Contribution For Next Year (12 Months)	0	0
<b>Maturity Analysis of the Benefit Payments: From the Employer:</b>		
Projected Benefits Payable in Future Years from the Date of Reporting		
1st Following Year	0.44	0.27
2nd Following Year	0.49	0.36
3rd Following Year	0.53	0.41

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
4th Following Year	0.59	0.45
5th Following Year	0.63	0.49
Sum of Years 6 To 10	3.35	2.57
Sum of Years 11 & above	25.40	21.09
<b>Sensitivity Analysis:</b>		
Projected Benefit Obligation on Current Assumptions	10.43	7.85
Delta Effect of +1% Change in Rate of Discounting	(1.14)	(0.88)
Delta Effect of -1% Change in Rate of Discounting	1.38	1.06
Delta Effect of +1% Change in Rate of Salary Increase	1.10	0.90
Delta Effect of -1% Change in Rate of Salary Increase	(1.00)	(0.82)
Delta Effect of +1% Change in Rate of Employee Turnover	0.02	0.00
Delta Effect of -1% Change in Rate of Employee Turnover	(0.03)	(0.02)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

### (b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Table Showing Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the Beginning of the Period	6.42	4.51
Interest Cost	0.48	0.33
Current Service Cost	1.46	0.77
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
Liability Transferred Out/ Divestments	-	-
(Gains)/ Losses on Curtailment	-	-
Liabilities Extinguished on Settlement	-	-
Benefit Paid Directly by the Employer	(0.71)	(0.13)
Benefit Paid From the Fund	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.28	(0.16)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.26	(0.16)
Actuarial (Gains)/Losses on Obligations - Due to Experience	1.22	1.11
Present Value of Benefit Obligation at the End of the Period	9.15	6.42
<b>Change in the fair value of plan assets:</b>		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 34 Employee Benefits: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
<b>Amount Recognized in the Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(9.15)	(6.42)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(9.15)	(6.42)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(9.15)	(6.42)
<b>Expenses / [Incomes] recognised in the Statement of Profit &amp; Loss:</b>		
Current Service Cost	1.46	0.77
Net Interest Cost	0.48	0.33
Actuarial (Gains)/Losses	1.50	0.95
Expenses Recognized in the Statement of Profit or Loss	3.44	2.04
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	6.42	4.51
Expense Recognized in Statement of Profit or Loss	3.44	2.04
(Benefit Paid Directly by the Employer)	(0.71)	(0.13)
Net Liability/(Asset) Recognized in the Balance Sheet	9.15	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

\$ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

## 35 Financial risk management:

The Company's activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the Consolidated Financial Statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

### (i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 35 Financial risk management: (Contd..)

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

### (ii) Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables arising in the normal course of business and is managed primarily through internal accruals and/or short term borrowings. Long term liquidity requirement is assessed by the management on periodical basis and managed through internal accruals as well as from undrawn borrowing facilities.

### (iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. 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.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

<b>As at March 31, 2024</b>	<b>Upto year 1</b>	<b>1-5 years</b>	<b>More than 5 yrs</b>
Borrowings (other than redeemable preference shares)	973.30	838.98	70.30
Redeemable preference shares	-	215.00	7.42
Trade payables	293.01	-	-
Lease Liabilities	11.29	43.60	134.38
Other financial liabilities	378.37	404.10	-
<b>TOTAL</b>	<b>1,655.96</b>	<b>1,501.68</b>	<b>212.10</b>
<b>GRAND TOTAL</b>	<b>3369.75</b>		

(Unless otherwise stated, all amounts are in Million Indian Rupees)

<b>As at March 31, 2023</b>	<b>Upto year 1</b>	<b>1-5 years</b>	<b>More than 5 yrs</b>
Borrowings (other than redeemable preference shares)	216.39	2,084.52	535.29
Redeemable preference shares	-	32.89	169.27
Trade payables	311.54	-	-
Lease Liabilities	8.54	35.71	115.00
Other financial liabilities	380.12	355.07	-
<b>TOTAL</b>	<b>916.59</b>	<b>2,508.20</b>	<b>819.56</b>
<b>GRAND TOTAL</b>	<b>4244.35</b>		

### (iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices – will affect the Companies income or the value of its holdings of financial instruments.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 35 Financial risk management: (Contd..)

### (v) Commodity Price Risk :

Risk arising on account of fluctuations in price of natural gas is mitigated by ability to pass on the fluctuations in prices to customers over period of time. The company monitors movements in the prices closely on regular basis.

### (vi) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

### (vii) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars			As at	As at
			March 31, 2024	March 31, 2023
Variable rate instruments				
Financial Assets			-	-
Financial Liabilities			1,882.57	2,836.19
Fixed Rate instruments				
Financial Assets*			178.34	186.22
Financial Liabilities			411.69	361.40
	<b>Interest rate variation</b>	<b>Change</b>	<b>Impact</b>	<b>Impact</b>
	Scenario-1	(+) 0.50%	9.41	14.18
	Scenario-2	(-) 0.50%	(9.41)	(14.18)

\*Financial Assets excludes Investment in Joint Ventures

## 36 Capital Management:

Total equity as shown in the balance sheet includes equity share capital, general reserves and retained earnings.

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders & benefits for other stakeholders, & maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash & cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares & Equity component of Preference Shares) & accumulated reserves.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars			As at	As at
			March 31, 2024	March 31, 2023
Total borrowings (including Liability component of Redeemable Preference Shares)			2,105.01	3038.35
Less: cash & cash equivalents & Balance with Banks			2,577.92	486.89
Net debt			(472.91)	2551.46
Total equity			9,317.62	3,464.27
Net Debt to Equity Ratio			(0.05)	0.74

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 36 Capital Management: (Contd..)

### Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

- (i) Gross DSCR
- (ii) Interest Coverage ratio
- (iii) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)

Note: The company has complied with all Loan Covenants for the period ending March 31, 2024 and March 31, 2023 as per Facility Agreement

## 37 Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112:

- A The following table summarises the financial information of Entities as included in its own separate financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies, if any.

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited (Consolidated)	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Period Ending	31-Mar-24	31-Mar-24	31-Mar-24
Country of Incorporation	India	India	India
% of ownership interest	37.50%	33.33%	50%
Current Assets	215.77	458.74	69.63
Non Current Assets	586.71	191.66	24.31
Current Liabilities	223.46	516.66	21.58
Non Current Liabilities	129.24	102.61	75.30
<b>Net assets (100%)</b>	<b>449.78</b>	<b>31.14</b>	<b>(2.94)</b>
Company's share of net assets	168.67	10.38	(1.47)
<b>Carrying amount of interest in joint venture</b>			
Revenues	533.29	633.34	-
Expenses	539.07	584.79	0.10
Depreciation and Amortization	31.57	16.41	-
Interest Income	4.26	2.46	-
Interest Expense	24.77	37.93	7.89
Income Tax Expense	(7.73)	(4.97)	(1.81)
<b>Profit/(loss) from continuing operations</b>	<b>(50.12)</b>	<b>1.63</b>	<b>(6.18)</b>
Profit share from Associate Entity	(0.03)	-	-
<b>Consolidated Profit/(loss) from continuing operations</b>	<b>(50.15)</b>	<b>1.63</b>	<b>(6.18)</b>
Other Comprehensive Income	(0.03)	(0.03)	-
<b>Total Comprehensive Income</b>	<b>(50.18)</b>	<b>1.60</b>	<b>(6.18)</b>
<b>Company's share of profit/ (loss) from continuing operations</b>	<b>(18.80)</b>	<b>0.54</b>	<b>(3.09)</b>
Company's share of other comprehensive income	(0.01)	(0.01)	-
<b>Company's share of total comprehensive income</b>	<b>(18.81)</b>	<b>0.53</b>	<b>(3.09)</b>
Dividends received by the Company	-	-	-

During the quarter ending March 2024, the Joint Controlled Entities viz. Farm Gas Private Limited (FGPL) and Venuka Polymers Private Limited (VPPL) has issued equity shares on right basis. Consequent to Company not participating in such rights issue, the holding of the Company has reduced from 50% to 37.5% in case of FGPL and from 50% to 33.33% in case of VPPL. Pursuant to this, w.e.f. 25/01/2024 status of both FGPL and VPPL changed from Joint Controlled Entities to Associates of the Company. Accordingly, Share of Profit/(loss) of Joint Control Entities and Associates includes loss Rs. (33.90) million for Farm Gas Pvt Ltd and profit of Rs. 3.50 million for Venuka Polymers Pvt Ltd on account of disposal of interest in such JCEs.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 37 Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Period Ending	31-Mar-23	31-Mar-23	31-Mar-23
Country of Incorporation	India	India	India
% of ownership interest	50%	50%	50%
Current Assets	281.89	304.63	69.62
Non Current Assets	515.35	100.16	22.30
Current Liabilities	175.55	303.76	13.39
Non Current Liabilities	169.63	81.98	75.30
<b>Net assets (100%)</b>	<b>452.05</b>	<b>19.05</b>	<b>3.24</b>
Company's share of net assets	226.03	9.54	1.62
<b>Carrying amount of interest in joint venture</b>			
Revenues	1,054.77	444.90	47.34
Expenses	852.40	406.32	38.79
Depreciation and Amortization	15.84	11.34	-
Interest Income	3.42	0.81	-
Interest Expense	19.82	16.00	7.93
Income Tax Expense	44.89	3.79	0.18
<b>Profit/(loss) from continuing operations</b>	<b>125.24</b>	<b>8.27</b>	<b>0.45</b>
Profit share from Associate Entity	(0.11)	-	-
<b>Consolidated Profit/(loss) from continuing operations</b>	<b>125.13</b>	<b>8.27</b>	<b>0.45</b>
Other Comprehensive Income	(0.01)	(0.02)	-
<b>Total Comprehensive Income</b>	<b>125.12</b>	<b>8.25</b>	<b>0.45</b>
<b>Company's share of profit/ (loss) from continuing operations</b>	<b>62.56</b>	<b>4.13</b>	<b>0.22</b>
Company's share of other comprehensive income	(0.01)	(0.01)	-
<b>Company's share of total comprehensive income</b>	<b>62.56</b>	<b>4.13</b>	<b>0.22</b>
Dividends received by the Company	-	-	-

B Additional Information of Net Asstes and Share In Profit or Loss Contributed By Various Entities as Recognised Under Schedule III of the Companies Act,2013

### For the Year ending March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Net Assets i.e. Total Assets minus Total liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. In millions	As % of Consolidated Profit/ (Loss)	Rs. In millions	As % of Consolidated Other Comprehensive Income	Rs. In millions	As % of Total Comprehensive Income	Rs. In millions
<b>Parent :</b>								
IRM Energy Limited	98.10%	9,167.29	102.40%	915.05	88.04%	(0.16)	102.40%	914.89
<b>Subsidiary :</b>								
<b>Indian</b>								
Ski- Clean Energy Pvt. Ltd.	0.00%	(0.06)	-0.01%	(0.10)	0.00%	-	-0.01%	(0.10)
<b>Non-controlling interest in all subsidiaries</b>								
<b>Associates (Investment as per equity method)</b>								
<b>Indian</b>								
Farm Gas Private Limited	1.80%	168.67	-2.10%	(18.80)	6.37%	(0.01)	-2.11%	(18.81)
Venuka Polymers Private Limited	0.11%	10.38	0.06%	0.54	5.59%	(0.01)	0.06%	0.53

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 37 Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112: (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Net Assets i.e. Total Assets minus Total liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. In millions	As % of Consolidated Profit/ (Loss)	Rs. In millions	As % of Consolidated Other Comprehensive Income	Rs. In millions	As % of Total Comprehensive Income	Rs. In millions
<b>Joint Ventures (Investment as per equity method)</b>								
<b>Indian</b>								
Ni-hon Cylinders Private Limited	-0.02%	(1.47)	-0.35%	(3.09)	0.00%	-	-0.35%	(3.09)
Gross Total	100%	9,344.80	100%	893.61	100%	(0.18)	100%	893.43
<b>Total Eliminations/ Consolidation adjustments</b>		<b>(27.19)</b>		<b>(36.94)</b>		<b>0.05</b>		<b>(36.89)</b>
<b>Total</b>		<b>9,317.62</b>		<b>856.67</b>		<b>(0.13)</b>		<b>856.54</b>

## For the Year ending March 31, 2023

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Net Assets i.e. Total Assets minus Total liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in total Comprehensive Income	
	As % of Consolidated Net Assets	Rs. In millions	As % of Consolidated Profit/ (Loss)	Rs. In millions	As % of Consolidated Other Comprehensive Income	Rs. In millions	As % of Total Comprehensive Income	Rs. In millions
<b>Parent :</b>								
IRM Energy Limited	93.98%	3,255.61	89.44%	564.80	98.44%	(0.63)	89.43%	564.17
<b>Subsidiary :</b>								
<b>Indian</b>								
Ski- Clean Energy Pvt. Ltd.	0.00%	0.04	-0.04%	(0.24)	0.00%	-	-0.04%	(0.24)
<b>Non-controlling interest in all subsidiaries</b>								
<b>Associates (Investment as per equity method)</b>								
<b>Indian</b>								
Farm Gas Private Limited	6.52%	226.03	9.91%	62.56	1.56%	(0.01)	9.92%	62.55
Venuka Polymers Private Limited	0.28%	9.54	0.65%	4.13	1.56%	(0.01)	0.65%	4.13
<b>Joint Ventures (Investment as per equity method)</b>								
<b>Indian</b>								
Ni-hon Cylinders Private Limited	0.05%	1.62	0.03%	0.22	0.00%	-	0.03%	0.22
Gross Total	100%	3,492.83	100%	631.46	100%	(0.64)	100%	630.83
<b>Total Eliminations/ Consolidation adjustments</b>		<b>(28.56)</b>		<b>-</b>		<b>-</b>		<b>(0.01)</b>
<b>Total</b>		<b>3,464.27</b>		<b>631.46</b>		<b>(0.64)</b>		<b>630.82</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 38 Related Party Disclosures:

The management has identified the following entities and individuals as related parties of the Company for the purpose of reporting as per Ind AS 24 - Related Party Transactions, which are as under:

### (a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i	Deemed Holding Company by Control	(i) Cadila Pharmaceuticals Limited
ii	Associate entities	(i) Farm Gas Private Limited
		(ii) Venuka Polymers Private Limited
iii	Joint Control Entities	(i) Ni-Hon Cylinders Private Limited
iv	Subsidiary Company	(i) SKI-Clean Energy Private Limited(W.ef. 21.09.2022)
		(i) IRM Private Limited (formerly IRM Limited)
		(ii) IRM Trust
		(iii) Mauktika Ventures LLP
		(iv) N M Sadguru Water and Development Foundation
		(v) Aspire Disruptive Skill Foundation
		(vi) Indrashil Kaka Ba & Kala Budh Public Charitable Trust
		(vii) Enertech Distribution Management Private Limited
		(viii) Enertech Fuel Solutions Private Limited
		(ix) Apollo Hospitals International Limited
		(x) AIC-ISE Foundation
		(xi) Inverika Bioresearch Private Limited
		(xii) SAF Clean Energy Private Limited
(xiii) Cad Ventures Pvt Ltd		
v	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(i) Mr. Maheswar Sahu (Chairman)
		(ii) Dr. Rajiv I. Modi (Director)
		(iii) Mr. Amitabha Banerjee (Director)
		(iv) Mr. Badri Mahapatra (Director)
		(v) Mr. Chikmagalur Kalasheety Gopal (Director)
		(vi) Mr. Rabindra Nath Nayak (Director)
		(vii) Mr. Anand Mohan Tiwari (Director)
		(viii) Mrs. Geeta Goradia (Director) (upto 06.01.2024)
vi	Directors	(i) Mr. Karan Kaushal (CEO)
		(ii) Mr. Harshal Anjaria (CFO)
		(iii) Ms. Shikha Jain (CS)
vi	Key Management Personnel	(i) Mr. Karan Kaushal (CEO)
		(ii) Mr. Harshal Anjaria (CFO)
		(iii) Ms. Shikha Jain (CS)

### (b) Transactions with related parties:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended March 31, 2024	For the Year ended March 31, 2023
1	Corporate Guarantee Commission Expenses	Cadila Pharmaceuticals Limited	-	1.99
2	Corporate Guarantee Commission Income	Farm Gas Private Limited	3.39	-
		Venuka Polymers Private Limited	4.34	-
3	Rent Expenses	IRM Trust	6.03	5.29
4	Rent Income	Venuka Polymers Private Limited	0.04	-
		SKI-Clean Energy Private Limited	0.05	0.03
5	Licence Fees Expenses	IRM Trust*	36.35	35.10
6	Natural Gas and Compressed Bio Gas Purchase (incl. Transmission Charges )	Farm Gas Private Limited	162.84	559.92
		Enertech Fuel Solutions Private Limited	-	65.32
7	Purchase of Natural Gas	Enertech Distribution Management Private Limited	27.26	19.77

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended March 31, 2024	For the Year ended March 31, 2023
8	Purchase of Assets	Venuka Polymers Private Limited	76.56	44.43
9	CNG Sales	Farm Gas Private Limited	9.39	-
10	Compression Service - FS	Farm Gas Private Limited	0.94	-
11	Hiring of cab services Expenses	CAD Ventures Private Limited	0.17	0.01
		Inverika Bioresearch Private Limited	-	0.11
12	Interest Income	Ni Hon Cylinders Pvt Limited	7.89	10.05
13	Health checkup services Expenses	Apollo Hospitals International Limited	0.31	0.01
14	Canteen Services Expenses	IRM Private Limited	0.67	0.77
		Cadila Pharmaceuticals Limited	7.49	7.49
		IRM Trust	2.79	2.79
		Enertech Distribution Management Private Limited	4.34	4.34
15	Dividend- Paid/(received)	Maheswar Sahu	0.07	0.07
		Karan Kaushal	0.00	0.00
		Harshal Anjaria	0.00	0.00
		Shikha Jain	0.00	0.00
16	Reimbursement of Expenses	Cadila Pharmaceuticals Limited	4.47	0.50
		Maheswar Sahu	0.52	0.45
		Venuka Polymers Private Limited	30.23	(63.57)
		Mauktika Ventures LLP	0.02	(0.21)
		Farm Gas Private Limited	53.70	(180.88)
		SAF Clean Energy Private Limited	0.00	-
		Ni Hon Cylinders Pvt Limited	1.22	0.90
17	Director Sitting Fees	SKI-Clean Energy Private Limited	0.06	(0.39)
		Maheswar Sahu	1.08	1.32
18	Managerial Remuneration	Badri Mahapatra	0.36	0.56
		Amitabha Banerjee	0.20	0.08
19	Corporate Social Responsibility Expense	Maheswar Sahu	10.97	15.10
		Indrashil Kaka Ba & Kala Budh Public Charitable Trust	8.71	7.27
		AIC-ISE Foundation	0.14	-
		N M Sadguru Water and Development Foundation	0.70	0.60
20	Remuneration	Aspire Disruptive Skill Foundation	8.00	6.24
		Karan Kaushal	8.22	6.86
		Harshal Anjaria	5.50	4.58
21	Outstanding Payables	Shikha Jain	1.37	0.94
		IRM Private Limited	0.11	0.06
		Apollo Hospitals International Limited	-	0.31
		Mauktika Ventures LLP	0.19	0.42
22	Loan & Advances Receivable	Enertech Fuel Solutions Private Limited	-	10.49
		Maheswar Sahu	-	0.05
		Ni Hon Cylinders Pvt Limited	74.90	74.90
23	Deposit Amount Receivable	IRM Trust	0.44	0.44

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Nature of Transaction	For the Year ended March 31, 2024	For the Year ended March 31, 2023
24	Outstanding Receivables/Other Receivables / Capital Advances / Advances to Supplier	Ni Hon Cylinders Pvt Limited	19.10	10.79
		Venuka Polymers Private Limited	150.09	72.52
		Cadila Pharmaceuticals Limited	0.46	0.05
		IRM Trust	20.81	-
		Mauktika Ventures LLP	-	0.21
		SKI-Clean Energy Private Limited	0.13	0.01
		SAF Clean Energy Private Limited**	0.00	-
		Farm Gas Private Limited	107.38	15.94

- (i) All transactions with related parties are placed before the Audit Committee for its prior approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.  
All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.
- (ii) \*Since the license fee was waived till December 31, 2023 as per the addendum agreement signed between the Company and IRM Trust (Promoter), the Company has made entire full provision of license fees of Rs. 42.89 million for the quarter ending March 31, 2024.
- (iii) Remuneration to Key Managerial Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.
- (iv) All the amounts reported in above are exclusive of GST wherever applicable.  
\*\*Denotes less than Rs. 5000

## 39 Earnings Per Share:

Pursuant to the Indian Accounting Standard (Ind AS- 33) - Earnings per Share, the disclosure is as under:

Sr. No.	Particulars	UOM	For the Year ended March 31, 2024	For the year ended March 31, 2023
	Basic EPS & Diluted EPS			
a	Profit after tax attributable to Equity Shareholders	Million Indian ₹	856.67	631.36
b	Basic & weighted average number of Equity shares outstanding during the year	Number of shares	3,50,10,497	2,98,15,609
c	Basic earning per share (₹)	₹	24.47	21.18

## 40 Contingent Liabilities & Capital Commitment (to the extent not provided for):

### (A) Contingent Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Claim Against Company Not Acknowledged as Debt	-	-
2	Income Tax Liability for A.Y 18-19- Rectification filed pending resolution	0.05	0.05
3	In respect of Corporate Guarantee given by the Company In favour of Banks extending the credit facilities to Joint Control Entities	815.60	675.60
4	In respect of Performance Bank Guarantee (PBG) issued in favour of PNGRB by Banks	1,581.20	1,581.20
	<b>Total</b>	<b>2,396.85</b>	<b>2,256.85</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## (B) Capital Commitment

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	As at	As at
		March 31, 2024	March 31, 2023
1	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	1497.17	2711.87
	<b>Total</b>	<b>1497.17</b>	<b>2,711.87</b>

**41** The Company has taken limits for issuance of Performance Bank Guarantee (PBG) in favor of PNGRB which is secured as under-

- a First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- b First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

Further, Cadila Pharmaceuticals Ltd has given corporate guarantee for the limits taken by the company for submission of PBG of ₹ 250 million for the Diu and Gir somanth city gas distribution project.

## 42 Segment Information

### a Description of segments and principal activities

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the Restated Consolidated Financial Statements themselves as at & for the period/financial year ended March 2024 and March 2023.

### b Entity wide disclosures

- i Information about products and services: The Company is in a single line of business of "Sale of Natural Gas".
- ii Geographical Information: The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers earned and non-current asset are located, in India.
- iii Information about major customers: In the current year, revenue from none of the external customer individually accounted for more than ten percent of the revenue.

## 43 Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with the Registrar of Companies beyond the statutory period.

## 44 Details of Benami Property held

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

## 45 Loans and advances granted to specified person

Except as stated in the notes to accounts and financial statement, there are no other loans or advances granted to specified persons namely promoters, directors, KMPs and related parties

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 46 Land, Building and Plant & Machinery on lease for more than 12 months

The Company has taken Land, Building and Plant & Machinery on Lease for the period of more than 12 Months. The Company has taken other Buildings also on lease for the period of 12 months or less for which the company applies the "Short-term leases" recognition exemptions. Disclosures as per Ind AS 116 - Leases are as follows:

### a Changes in the carrying value of right of use assets

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	162.42	129.42
Additions	39.51	49.43
Reclassified pursuant to adoption of IndAS 116	-	-
Deletions	-	-
Amortisation	16.03	16.43
<b>Balance at the end of the year</b>	<b>185.90</b>	<b>162.42</b>

### b Movement of Lease Liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	159.25	117.07
Additions	39.51	49.44
Deletions	-	-
Finance cost accrued during the year	20.49	14.17
Payment of lease liabilities	29.98	21.41
<b>Balance at the end of the year</b>	<b>189.27</b>	<b>159.25</b>

### c Contractual maturities of lease liabilities

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Less than one year	11.29	8.54
One to five years	43.60	35.71
More than five years	134.38	115
<b>Total</b>	<b>189.27</b>	<b>159.25</b>

### d Amount recognized in Statement of Profit and Loss account during the year

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Amortisation expense of right of use assets	16.03	16.43
Interest Expense on Lease liabilities	20.49	14.17
Expense related to short term leases	14.85	9.86
<b>Total</b>	<b>51.36</b>	<b>40.48</b>

### e Amount recognized in statement of Cash Flow

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Total Cash flow for lease	29.98	21.41
<b>Total</b>	<b>29.98</b>	<b>21.41</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 47 Utilisation of borrowed funds, share premium and other funds

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

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

- i 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
- ii provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

## 48 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

## 49 Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## 50 Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

## 51 Relationship with struck off companies

The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

## 52 Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

## 53 Revaluation of property, Plant and equipment

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during year ended 31 March 2024 and 31 March 2023.

## 54 Details regarding Financial Instruments

(Unless otherwise stated, all amounts are in Million Indian Rupees)

As at March 31, 2024	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investment*	153.46	-	-	153.46	153.46	-	-	153.46
Loans	-	-	89.68	89.68	-	-	89.68	89.68
Trade receivables	-	-	368.01	368.01	-	-	368.01	368.01
Cash & cash equivalents	-	-	2,577.92	2,577.92	-	-	2,577.92	2,577.92
Other Bank Balances	-	-	2,299.86	2,299.86	-	-	2,299.86	2,299.86
Other financial assets	-	-	161.76	161.76	-	-	161.76	161.76
<b>Total financial assets</b>	<b>153.46</b>	<b>-</b>	<b>5,497.23</b>	<b>5,650.69</b>	<b>153.46</b>	<b>-</b>	<b>5,497.23</b>	<b>5,650.69</b>
<b>Financial liabilities</b>								
Borrowings**	-	-	2,105.01	2,105.01	-	-	2,105.01	2,105.01
Lease Liabilities	-	-	189.27	189.27	-	-	189.27	189.27
Trade payables	-	-	293.07	293.07	-	-	293.07	293.07
Other financial liabilities	-	-	782.43	782.43	-	-	782.43	782.43
<b>Total financial liabilities</b>	<b>153.46</b>	<b>-</b>	<b>3,369.78</b>	<b>3,369.78</b>	<b>-</b>	<b>-</b>	<b>3,369.78</b>	<b>3,369.78</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 54 Details regarding Financial Instruments (Contd..)

(Unless otherwise stated, all amounts are in Million Indian Rupees)

As at March 31, 2023	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investment*	543.25	-	-	543.25	543.25	-	-	543.25
Loans	-	-	76.62	76.62	-	-	76.62	76.62
Trade receivables	-	-	386.22	386.22	-	-	386.22	386.22
Cash & cash equivalents	-	-	218.75	218.75	-	-	218.75	218.75
Other Bank Balances	-	-	766.06	766.06	-	-	766.06	766.06
Other financial assets	-	-	147.92	147.92	-	-	147.92	147.92
<b>Total financial assets</b>	<b>543.25</b>	<b>-</b>	<b>1,595.57</b>	<b>2,138.82</b>	<b>543.25</b>	<b>-</b>	<b>1,595.57</b>	<b>2,138.82</b>
<b>Financial liabilities</b>								
Borrowings**	-	-	3,038.34	3,038.34	-	-	3,038.34	3,038.34
Lease Liabilities	-	-	159.25	159.25	-	-	159.25	159.25
Trade payables	-	-	311.54	311.54	-	-	311.54	311.54
Other financial liabilities	-	-	735.20	735.20	-	-	735.20	735.20
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>4,244.33</b>	<b>4,244.33</b>	<b>-</b>	<b>-</b>	<b>4,244.33</b>	<b>4,244.33</b>

\*Investments in subsidiaries, joint ventures and associates classified as equity investments have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

\*\* includes liability component of Non Cumulative Redeemable Preference Shares.

## 55 Revenue from contracts with customers :

Sale of Natural gas is the main activity of city gas distribution business and other operating income is incidental to sale of natural gas. Company sells and distributes natural gas in India.

Sale of natural gas includes excise duty but excludes VAT and GST collected from the customers on behalf of the Government. All the revenue mentioned above are earned by transfer of goods or services at a point of time.

### Reconciliation of the amount of revenue recognised in the statement of Profit and Loss with the contracted price :

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue as per contracted price</b>	9,565.40	10,391.35
<b>Adjustments :</b>		
Provision for revenue contract price	-	-
<b>Revenue from contract with customers</b>	<b>9,565.40</b>	<b>10,391.35</b>

The following table provides information about receivables and contract liabilities from contract with customers:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
<b>(i) Receivables</b>			
	Trade receivables	354.74	361.12
	Unbilled Revenue	13.27	25.10
	<b>Total Trade receivables</b>	<b>368.01</b>	<b>386.22</b>
<b>(ii) Current Financial Liabilities - Others (Contract liabilities)</b>			
	Security Deposits from customers	325.21	273.70
	<b>Total Current Financial Liabilities - Others (Contract liabilities)</b>	<b>325.21</b>	<b>273.70</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 55 Revenue from contracts with customers : (Contd..)

### Performance obligations -Connection, Service and Fitting Income

Connection charges from customers are Recognised when the performance obligation is satisfied:

- (i) Industrial & Commercial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas as per the contract. Consequently, the connection charges is to be recognised when the amount is received from the Customer.
- (ii) Domestic Customer: The connection charges is to be recognised when the amount is received from the Customer. It is reasonably expected by the Company that the gas is procured by the customer and supplied by the Company on a Regular basis. Consequently the connection charges are to be recognised when the connection facility is provided.

**56** Since the license fee was waived till December 31, 2023 as per the addendum agreement signed between the Company and IRM Trust (Promoter), the Company has made entire full provision of license fees of ₹ 42.89 million for the quarter ending March 31, 2024.

## 57 Events Occuring After The Balance Sheet Date :

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As on date of approval of these financial statements, there are no subsequent events to be recognized or reported that are not already disclosed.

**58** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating and edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except for the Period of 1st April 23 to 16th September 2023. Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database."

**59** The Board of Directors have recommended final dividend on non-cumulative redeemable preference shares of ₹ 1 (10%) per preference share of the face value of ₹ 10 each for the financial year 2023-24. This proposed dividend is subject to approval of the shareholders in the ensuing annual general meeting. Additionally, the Board of Directors have recommended final equity dividend of ₹ 1.50 (15%) per equity share of the face value of 10 each for the financial year 2023-24. This proposed dividend is subject to approval of the shareholders in the ensuing annual general meeting.

## 60 The statement of utilisation of IPO net proceeds as on March 31, 2024 is as under:

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Object(S) as per the Prospectus	Amount as per final offer document	Total Amount Utilized as on March 31, 2024	Total Amount Unutilized as on March 31, 2024
Funding capital expenditure requirements for development of the City Gas Distribution network in the Geographical Areas of Namakkal and Tiruchirappalli (Tamil Nadu) in Fiscal 2024, Fiscal 2025, Fiscal 2026 and Fiscal 2027	3,072.62	65.00	3,007.62
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	1350.00	1,350.00	-
General Corporate Purposes#	542.34	0.07	542.27
<b>TOTAL</b>	<b>4,964.96#</b>	<b>1,415.07</b>	<b>3,549.89</b>

#The total amount available for utilisation towards objects of the Issue (net of offer expenses) is ₹ 4,964.96 million (net proceeds) which is higher than the amount mentioned in the Prospectus of ₹ 4,958.63 million. The actual amount received by the Company is higher based on the finalisation of Basis of Allotment. The difference i.e. ₹ 6.33 million is added to the General Corporate Purposes.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

**61** The Consolidated Financial Statements for the year ended 31 March 2024 were approved by the Board of Directors on 21 May 2024.

## 61 Financial Ratios

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No	Ratio	Numerator	Denominator	For the Year ended March 31, 2024	For the year ended March 31, 2023
1	Current Ratio	Current Assets	Current Liabilities	3.41	2.40
	<b>% change from previous year:</b>			54%	
	<b>Reason for change more than 25%:</b> March 31, 2024: During the year, company has repaid short term borrowing which resulted in reduction of current liabilities.				
2	Debt-Equity Ratio	Total Debt	Total Equity	0.25	0.98
	<b>% change from previous year:</b>			-73%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to repayment of borrowings and issue of new equity shares during the year.				
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.76	4.31
	<b>% change from previous year:</b>			-82%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to repayment of borrowings and increase in the lease liabilities.				
4	Return on Equity Ratio	Net Profit less Dividend	Average Shareholder's Equity	12.86%	21%
	<b>% change from previous year:</b>			-39%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to higher profitability and issue of new equity shares during the year.				
5	Inventory turnover ratio	Sales	Closing Inventory	222.14	536.73
	<b>% change from previous year:</b>			-59%	
	<b>Reason for change more than 25%:</b> Due to decrease in the turnover and increase in the amount of closing inventory.				
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	25.24	33.76
	<b>% change from previous year:</b>			-25%	
	<b>Reason for change more than 25%:</b> N.A				
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	21.45	27.72
	<b>% change from previous year:</b>			-23%	
	<b>Reason for change more than 25%:</b> N.A				
8	Net capital turnover ratio	Revenue from Operations	Shareholder's Equity	1.03	3.00
	<b>% change from previous year:</b>			-66%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to decrease in turnover and issue of the equity shares during the year.				
9	Net profit ratio	Net Profit	Sales	8.74%	6.40%
	<b>% change from previous year:</b>			45%	
	<b>Reason for change more than 25%:</b> March 31, 2024: Due to decrease in turnover and higher profitability.				

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Sr. No	Ratio	Numerator	Denominator	For the Year ended March 31, 2024	For the year ended March 31, 2023
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed (Total Assets- Current Liabilities)	12.45%	15.05%
	<b>% change from previous year:</b>			-17%	
	<b>Reason for change more than 25%:</b>				
	March 31, 2024: N.A				
11	Return on investment	Earnings before interest and taxes	Total Assets	10.83%	13.12%
	<b>% change from previous year:</b>			-17%	
	<b>Reason for change more than 25%:</b>				
	March 31, 2024: Due to increase in asset more than the increase in the profitability.				

As per our report of even date  
**For Mukesh M Shah & Co.**  
 Chartered Accountants  
 Firm Registration No: 106625W

**Harsh Kejriwal**  
 Partner  
 Membership Number : 128670  
 Place : Ahmedabad  
 Date : May 21,2024

For and on behalf of the Board  
**IRM Energy Limited**

**M. Sahu**  
 Chairman  
 DIN : 00034051

**Harshal Anjaria**  
 CFO  
 Place : Ahmedabad  
 Date : May 21,2024

**Karan Kaushal**  
 CEO

**Shikha Jain**  
 Company Secretary

# Notice of Annual General Meeting

(Pursuant to Section 101 of the Companies Act, 2013)

**NOTICE** is hereby given that the **09<sup>th</sup> Annual General Meeting ("AGM")** of the Members of **IRM Energy Limited ("IRMEL"/ "Company")** will be held on **Friday, August 02, 2024 at 11:00 a.m. (IST)** through Video Conferencing through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following businesses:

## ORDINARY BUSINESS:

- To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the Report of the Board of Directors and the Statutory Auditors thereon**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 along with the Report of the Board of Directors and the Statutory Auditors' Report thereon, as circulated to the members, be and are hereby received, considered and adopted."

- To declare the Final Dividend of Re. 1/- (Rupee One) per 10% Non-cumulative Redeemable Preference Share of Rs. 10/- each for the year ended March 31, 2024**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution*

**"RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company and as per the terms of issue of 10% Non-cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up ("preference shares"), the final dividend of Re. 1/- each on 3,49,99,432 Preference Shares (i.e. 10%) aggregate of Rs. 3,49,99,432/- subject to deduction of tax be and is hereby declared for the financial year ended March 31, 2024."

- To declare the Final Dividend of Rs. 1.50 (Rupee One and Fifty Paise) per equity share of Rs. 10/- each for the year ended March 31, 2024**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution*

**"RESOLVED THAT** pursuant to the recommendation of the Board of Directors of the Company, a final dividend of Rs. 1.50 per fully paid equity share of Rs. 10/- each (i.e. 15%) on 4,10,59,677 equity shares of Rs. 10/- each

aggregate of Rs. 6,15,89,515.50/- subject to deduction of tax, be and is hereby declared for the financial year ended March 31, 2024."

- To appoint Dr. Rajiv I. Modi (DIN: 01394558) as Director (Non-Executive Non- Independent), who retires by rotation and being eligible, offers himself for re-appointment**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution*

**"RESOLVED THAT** Dr. Rajiv I. Modi (DIN: 01394558), Non- Executive Director of the Company, who retires by rotation in terms of provisions of Section 152 of the Companies Act, 2013 or other applicable provisions, if any, read with Articles of Association of the Company and being eligible for re-appointment, be and is hereby, re-appointed as Director (Non-Executive Non - Independent) of the Company, liable to retire by rotation."

- Mr. Maheswar Sahu (DIN: 00034051) Director, liable to retire by rotation, who does not seek re-election**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution*

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules framed thereunder, Mr. Maheswar Sahu (DIN:00034051) Non-Executive Director of the Company, who retires by rotation at this meeting, expressed his unwillingness to seek reappointment, be not re-appointed as a Director of the Company and the vacancy, so created on the Board of Directors of the Company, be not filled up."

## SPECIAL BUSINESS:

- Appointment of Mrs. Kaushal Nakrani (DIN: 08405226) as an Independent Director of the Company**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as a Special Resolution*

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV of the Act, Regulations 17, 25(2A) and other applicable regulations of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), based on the recommendations of the Nomination and Remuneration Committee ("NRC") and the Board of Directors of the Company, Mrs. Kaushal Nakrani (DIN: 08405226) who was appointed as an Additional Director in the capacity of Non - Executive Independent Director with effect from June 01, 2024 and who has furnished a declaration that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of three consecutive years with effect from June 01, 2024 to May 31, 2027, not liable to retire by rotation".

**7. To consider and approve amendment in Articles of Association of the Company**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as a **Special Resolution***

**"RESOLVED THAT** subject to the approval of the members of the Company and pursuant to the provisions of Section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the approval of the members be and is hereby accorded for amendment in the Articles of Association of the Company by inserting Article 117A after the existing Article 117 of the Articles of Association of the Company:

*"117A. Enertech Distribution Management Private Limited shall be entitled to nominate 1 (one) Director on the Board, so long as Enertech Distribution Management Private Limited continues to hold at least 15% of the paid up equity share capital of the Company."*

**8. To increase the borrowing limits of the Company**

*To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution***

**"RESOLVED THAT** in supersession of the earlier resolution passed at the Extra-Ordinary General Meeting held on March 08, 2022 and pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded the Board of Directors of the Company to borrow such sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, such that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the

aggregate of the paid-up share capital of the Company, free reserves and securities premium, provided, however, the total amount so borrowed (other than temporary loans from the Company's bankers) and outstanding at any point of time shall not exceed a sum of Rs. 1400 Crore (Rupees Fourteen Hundred Crore only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable to giving effect to the aforesaid resolution."

**9. Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013.**

*To consider and if thought fit to pass, with or without modification, if any, the following Resolution as a **Special Resolution***

**"RESOLVED THAT** in supersession of the earlier resolution passed at the Extra-Ordinary General Meeting held on November 07, 2022 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules made thereunder and applicable regulations framed by Securities Exchange Board of India (SEBI), and provisions of Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, mortgage and/or create charge, in addition to the mortgages / charges created / to be created by the company in such form and manner and with such ranking and at such time and on such terms and conditions as may be determined, on all or any of the movable and / or immovable properties of the Company and / or the interest held by the company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the Company, in favor of any of the lender(s), agent(s) and trustee(s) for securing the borrowings of the company availed / to be availed by way of loan(s) and securities (comprising non-convertible debentures, bonds or other debt instruments), issued / to be issued by the company, from time to time, together with interest at the respective agreed rates and all other costs, charges and expenses and all other monies payable by the company in terms of the loan agreement(s), debenture trust deed(s) or any other agreement / document, entered into / to be entered into between the company and the lender(s) / investor(s) / agent(s) and / or trustee(s), in respect of the said loans, borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the company and the lender(s), agent(s) and / or trustee(s), provided that the maximum extent of the Financial Indebtedness secured by the assets of the Company does not exceed Rs. 1400 Crore (Rupees Fourteen Hundred Crore only) at any time.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, expedient and incidental thereto to give effect to this resolution.”

**10. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2025**

*To consider and if thought fit, to pass, with or without modification(s), if any, the following resolution as an **Ordinary Resolution***

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions 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 aggregate remuneration of Rs. 1,47,500/- (Rupees

One Lakh Forty-Seven Thousand Five Hundred only) plus applicable taxes and reimbursement of out of pocket expenses, if any incurred in connection with the Audit, payable to the M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified.”

By Order of the Board  
For, **IRM Energy Limited**

**Harshal Anjaria**  
CFO

Place: Ahmedabad  
Date: June 26, 2024

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out the material facts with respect to business to be transacted at the 09<sup>th</sup> Annual General Meeting ("AGM"), as set out under item nos. 6 to 10 above and the details of the Directors seeking appointment/re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and as required under Secretarial Standard -2 (SS-2) on General Meetings issued by the Institute of Company Secretaries of India (ICSI), is annexed hereto.
2. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/ 2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, and General Circular No. 09/2023 dated September 25, 2023 ("MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, and Circular No. SEBI/HO/ DDHS/P/CIR/2023/167 dated October 07, 2023 ("SEBI Circulars") issued by Securities and Exchange Board of India ("SEBI"), have permitted to hold AGM through video conference or other audio visual means ("VC/OAVM") upto September 30, 2024, Accordingly, the AGM of the Company is being held through VC/OAVM, without the physical presence of members at a common venue. The deemed venue of AGM shall be the registered office of the company i.e. 4<sup>th</sup> Floor, Block 8, Magnet Corporate Park, S.G. Highway, Near Sola Bridge, Ahmedabad, Gujarat, 380054.
3. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC / OAVM are requested to send a certified copy of the Board Resolution/ Authorization Letter with attested specimen signature of the duly authorized signatory(ies) to the Scrutinizer at [mcguptacs@gmail.com](mailto:mcguptacs@gmail.com) with a copy marked to the Company at [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com).
5. Only registered members of the Company may attend and vote at the AGM through VC/OAVM facility. In case

of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. In line with the aforesaid circulars, the Notice of AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice and Annual Report 2023-24 has been uploaded on the website of the Company at [www.irmenergy.com](http://www.irmenergy.com). The Notice and Annual Report 2023-24 can also be accessed from the websites of the Stock Exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the e-voting website of Link Intime India Private Limited ("LIPL") (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>. In case any member is desirous of obtaining printed copy of the Annual Report and Notice of 09<sup>th</sup> AGM of the Company, member may send request to the Company's email address at [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com) mentioning Folio No./ DP ID, Client ID and the No. of shares held.

The Notice is being sent to all the members, whose names appeared in the Register of Members/ records of depositories as beneficial owners, as on Thursday, July 04, 2024.

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, Email IDs, telephone / mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant (DP) in case the shares are held in electronic form and to the Registrar and Transfer Agent (RTA) at [rt.helpdesk@linkintime.co.in](mailto:rt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection in electronic form by the members during the AGM. All documents referred to in the notice will also be available for inspection in electronic form without any fee by the members from the date of circulation of this notice up to the date of AGM during business hours. Members seeking to inspect such documents may send a request on the email ID [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com) at least one working day before the date on which they intend to inspect the document.
9. Members desirous of obtaining any information/ clarification concerning the financial statements or any matter to be placed at the AGM are requested to address

their queries in writing to the Company at least ten days before the AGM, so that the information required may be made available at the AGM.

## 10. Record Date and Dividend

- i. The final dividend for the year ended March 31, 2024 as recommended by the Board, if approved at the AGM, will be paid to those members whose names will appear in the Company's Register of Members as on close of July 12, 2024 i.e. Record Date. In respect of shares held in dematerialised form, the dividend will be payable based on beneficial ownership as per details furnished by National Securities Depository Limited ["NSDL"] and Central Depository Services (India) Limited ["CDSL"].
- ii. Members holding shares in dematerialised form may please note that, in accordance with the direction of the stock exchanges, bank details as furnished by the respective depositories will be used for the purpose of distribution of dividend. For members who have not updated their bank account details, dividend warrants/demand drafts /cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories, where shares are held in dematerialised mode.
- iii. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

**For resident shareholders,** taxes shall be deducted at source under Section 194 of the IT Act as follows

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having PAN/ valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal year 2024-25 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil

withholding tax. PAN is mandatory for members providing Form 15G /15H or any other document as mentioned above.

**For non-resident shareholders,** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under Purpose Fuels Growth 61 the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under Rule 37BC of Income Tax Rules, 1962.
- Copy of Tax Residency Certificate obtained from the revenue authorities of the country of tax residence, duly attested by member Self-declaration in Form 10F.
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

- iv. All the documents submitted by the shareholder will be verified by the Company / its Authorised Representative and the Company will consider the same while deducting appropriate taxes, if they are in accordance with the provisions of the Income Tax Act, 1961. A detailed note providing particular of rate

of tax to be deducted, documents to be submitted and the procedure to be followed is provided on the website of the Company at <https://www.irmenergy.com/investor/#other-documents>

- v. In case the Company is unable to pay dividend to any Member directly in their bank account through Electronic Clearing Services or any other means due to non-registration of Electronic Bank Mandate, the Company shall dispatch the dividend warrants to such member.
- vi. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

#### **11. Information/Instruction on remote e-voting and attending the AGM through VC/OAVM are as under:**

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations (as amended), and pursuant to the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited ("LIPL"), as the authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting as well as e-voting system on the date of the AGM will be provided by LIPL.
- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, July 26, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and holds shares as of the Cut-off date i.e. Friday, July 26, 2024, shall be entitled to exercise his/her vote through remote e-voting or e-voting on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Tuesday, July 30, 2024 at 9.00 a.m. and will end on Thursday, August 01, 2024 at 5.00 p.m. During this period, the Members of the Company holding shares as on

the Cut-off date i.e. Friday, July 26, 2024 may cast their vote electronically. Those members, who will be present in the AGM through the VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

- v. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in). However, if the person is already registered with LIPL for remote e-voting then the existing login id and password may be used to cast the vote.
- vii. The Members can join the AGM in the VC/OAVM mode at least 15 minutes before and till 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnels, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- viii. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com) in up to Friday, July 26, 2024 (i.e., 7 days prior to the AGM date). The members may send their questions in advance within the stipulated period to enable the management to respond to these queries objectively at the AGM. Those Members who have registered themselves shall be given an opportunity of speaking live in AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions.
- ix. Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience. Members

- are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- x. Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Members are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.
  - xi. The Company has appointed M/s M. C. Gupta & Co, Company Secretaries, Ahmedabad, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
  - xiv. **Remote e-voting Instructions for shareholders:**
- xii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results of the voting will be within stipulated time under the applicable laws.
  - xiii. The voting result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.irmenergy.com](http://www.irmenergy.com) and on the website of LIPL at <https://instavote.linkintime.co.in> The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of Shareholder	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>METHOD 1 -</b></p> <ol style="list-style-type: none"> <li>1. <b>If Users who have registered for NSDL IDeAS facility:</b> <ol style="list-style-type: none"> <li>a) Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and click on "Beneficial Owner" icon under "Login".</li> <li>b) Enter user id and password. Post successful authentication, click on "Access to e-voting".</li> <li>c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> </li> </ol> <p style="text-align: center;">OR</p> <ol style="list-style-type: none"> <li>2. <b>User not registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>a) To register, visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> and select "Register Online for IDeAS Portal" or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>b) Proceed with updating the required fields.</li> <li>c) Post registration, user will be provided with Login ID and password.</li> <li>d) After successful login, click on "Access to e-voting".</li> <li>e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> </li> </ol> <p><b>METHOD 2 -</b></p> <p><b>By directly visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"> <li>a) Visit URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>b) Click on the "Login" tab available under 'Shareholder/Member' section.</li> <li>c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".</li> <li>e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>

Type of Shareholder	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p><b>METHOD 1 -</b></p> <p><b>1. Users who have registered/ opted for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>Click on New System Myeasi</li> <li>Login with user id and password</li> <li>After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p style="text-align: center;"><b>OR</b></p> <p><b>2. Users not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>To register, visit URL: <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a> / <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a></li> <li>Proceed with updating the required fields.</li> <li>Post registration, user will be provided Login ID and password.</li> <li>After successful login, user able to see e-voting menu.</li> <li>Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol> <p><b>METHOD 2 -</b></p> <p><b>By directly visiting the e-voting website of CDSL.</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a></li> <li>Go to e-voting tab.</li> <li>Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".</li> <li>System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account</li> <li>After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>Depository Participant</b>	<p>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.</p> <ol style="list-style-type: none"> <li>Login to DP website</li> <li>After Successful login, members shall navigate through "e-voting" tab under Stocks option.</li> <li>Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.</li> <li>After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.</li> </ol>

Type of Shareholder	Login Method
Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode	<p>Individual Shareholders of the company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime India Private Limited (LIPL) as under:</p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on <b>"Sign Up"</b> under <b>'SHARE HOLDER'</b> tab and register with your following details: -           <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</li> <li><b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.               <p><i>* Shareholders holding shares in <b>physical form</b> but have not recorded 'C' and 'D'; shall provide their Folio number in 'D' above</i></p> <p><i>* Shareholders holding shares in <b>NSDL form</b>, shall provide 'D' above</i></p> <ul style="list-style-type: none"> <li>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@! #&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>Click "confirm" (Your password is now generated).</li> </ul> </li> </ol> </li> </ol> <ol style="list-style-type: none"> <li>Click on 'Login' under <b>'SHARE HOLDER'</b> tab.</li> <li>Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on <b>'Submit'</b>.</li> </ol>

#### CAST YOUR VOTE ELECTRONICALLY:

- After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
- E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
- After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

#### Guidelines for Institutional Shareholders ("Corporate Body/Custodian/Mutual Fund"):

##### STEP 1 - Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- While first login, entity will be directed to change the password and login process is completed.

##### STEP 2 -Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on "Investor Mapping" tab under the Menu Section
- Map the Investor with the following details:

- a. 'Investor ID' -
  - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
  - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- b. 'Investor's Name - Enter full name of the entity.
- c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be - DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

**STEP 3 - Voting through remote e-voting.**

The corporate shareholder can vote by two methods, once remote e-voting is activated:

**METHOD 1 - VOTES ENTRY**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly

modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**OR**

**METHOD 2 - VOTES UPLOAD:**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

## FORGET PASSWORD

### Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his /her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for shareholders holding shares in -

Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

CDSL demat account is 16 Digit Beneficiary ID.

### Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**Corporate Body/ Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

### Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

## 12. PROCESS AND MANNER FOR ATTENDING THE AGM THROUGH INSTAMEET ARE AS UNDER:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & click on "**Login**". Select the "**Company**" and '**Event Date**' and register with your following details: -

<b>Demat Account No. or Folio No</b>	Enter your 16 digits Demat Account No. or Folio No
<b>PAN</b>	Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.)
<b>Mobile No.</b>	Enter your mobile number.
<b>Email ID</b>	Enter your email id, as recorded with your DP/Company.

2. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

## 13. Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

#### **14. Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digits Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

#### **Note:**

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

By Order of the Board  
For, **IRM Energy Limited**

**Harshal Anjaria**  
CFO  
Place: Ahmedabad  
Date: June 26, 2024

## EXPLANATORY STATEMENT IN PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Item No. 6

The Board at its meeting held on May 21, 2024, based on recommendation of the Nomination and Remuneration Committee ("NRC"), appointed Mrs. Kaushal Nakrani (DIN: 08405226) as an Additional Non-Executive Independent Director of the Company, in terms of Sections 161 and other applicable provisions of the Companies Act, 2013 (Act) and Companies (Appointment and Qualification of Directors) Rules, 2014, for a period of three consecutive years with effect from June 01, 2024, subject to the approval of the members of the Company.

The NRC at its meeting held on May 09, 2024 evaluated qualification, skills, experience, integrity and knowledge of Mrs. Kaushal Nakrani and decided that it would be sufficient / satisfactory to recommend her appointment as a Non-Executive Independent Director on the Board of the Company.

In the opinion of the NRC and the Board, Mrs. Kaushal Nakrani, fulfils the conditions specified under the Act, 2013 and the rules made thereunder and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (SEBI Listing Regulations) for the appointment as a Non-Executive Independent Director of the Company and she is Independent of the management of the Company.

The Company has received from Mrs. Kaushal Nakrani (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164 of the Act and (iii) a declaration to the effect that she meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) of the SEBI Listing Regulations. She does not hold any equity shares of the Company.

She has also enrolled herself with the databank for Independent Directors as specified under the Section 150 of the Act and she is not debarred by the virtue of order of Securities and Exchange Board of India (SEBI) or any other authority from holding office as a Director.

Details as required under Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard - 2 and other provisions of the applicable laws are provided in Annexure 1 forming part of this notice. A copy of the letter of appointment setting out the terms and conditions for appointment of Mrs. Kaushal Nakrani as Independent Director of the Company shall be available for inspection, basis the request being sent on [investor.relations@irmenergy.com](mailto:investor.relations@irmenergy.com).

Further, in terms of the Regulation 17(1C) of the SEBI Listing Regulations, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further, in terms of

Regulation 25(2A) of SEBI Listing Regulations, appointment of Mrs. Kaushal Nakrani as a Non-Executive Independent Director requires approval of the members of the Company by way of Special Resolution.

Except Mrs. Kaushal Nakrani, none of the Directors or any Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested, financially or otherwise in the above resolution as set out in item no. 06 of this notice.

The Board of Directors of the Company recommend the resolution as set out in item no. 06 of the accompanying Notice for the approval of the members by way of **Special Resolution**.

### Item No. 7

The Company had entered into the Waiver, Amendment and Termination Agreement ("Amendment Agreement") to Company Operations and Shareholders Agreement with Cadila Pharmaceuticals Limited, IRM Trust, Enertech Distribution Management Private Limited on December 13, 2022.

Pursuant to the terms of the Amendment Agreement, it is proposed to amend the Articles of Association ("Articles") of the Company by inserting below clause 117A in Articles of Association after clause 117:

117A. Enertech Distribution Management Private Limited shall be entitled to nominate 1 (one) Director on the Board, so long as Enertech Distribution Management Private Limited continues to hold at least 15% of the paid up equity share capital of the Company.

A copy of the existing articles of association of the Company is available for inspection by a member at the registered office of the Company on all working days, during business hours up to the date of the meeting and will also be made available at the meeting.

None of the directors, key managerial personnel of the Company or the relatives except Mr. Badri Mahapatra, Director also a Director of EDMPL and Mr. Maheswar Sahu, Director and Mr. Karan Kaushal, CEO of the Company being related to one of the directors of EDMPL are deemed to be concerned or interested financially or otherwise in the resolutions set out in item no. 07 of the accompanying Notice.

The Board of Directors of the Company recommend the resolution as set out in item no. 07 of the accompanying Notice for the approval of the members by way of **Special Resolution**.

### Item No. 8

As per Section 180(1)(c) of the Companies Act, 2013 (Act) read with the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company shall, with the consent of the members by passing a Special Resolution, borrow moneys, which together with the moneys already borrowed by the Company, is in excess of the paid-up capital and free reserves of the Company.

In this regards, the Members of the Company at their Meeting held on March 08, 2022 had passed a resolution authorizing the Board of Directors of the Company to borrow monies, from time to time, up to Rs. 900 Crores (Rupees Nine Hundred Crores).

The Board of Directors is of the view that in case of non-borrowal/non-fund facilities are included by the lenders in the borrowings, the total borrowing might be higher than the approved limits.

Keeping in view the above and also the future plans of the Company to scale up its capacity and coverage, the Board of Directors at its meeting held on June 26, 2024, subject to approval of members, has proposed to increase the limits for borrowing of funds from Rs. 900 Crores (Rupees Nine Hundred Crores) to Rs. 1400 Crores (Rupees Fourteen Hundred Crores Only) in terms of Section 180(1)(c) of the Act.

None of the Directors or any Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested, financially or otherwise in the above resolution as set out in item no. 08 of this notice.

The Board of Directors of the Company recommend the resolution as set out in item no. 08 of the accompanying Notice for the approval of the members by way of **Special Resolution**.

#### Item No. 9

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time) and applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors shall exercise the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; provided a consent by way of Special Resolution by the Shareholders of the Company has been obtained.

The Members of the Company at its meeting held on November 07, 2022 had authorised the Board of Directors to create charge on the assets of the Company to secure borrowings, from time to time, up to Rs. 900 crores. The security created by the Company may be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities / trustees for the holders as mentioned in the Resolution at Item No. 9. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial

assets of the Company in case of default, it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/ mortgages/ hypothecations for an amount not exceeding Rs. 1400 Crores (Rupees Fourteen Hundred Crores).

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board of Directors of the Company recommend the resolution as set out in item no. 09 of the accompanying Notice for the approval of the members by way of **Special Resolution**.

#### Item No. 10

The Board of directors at its meeting held on May 21, 2024, on the recommendation of the Audit Committee, has approved the appointment of M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) as Cost Auditors of the Company for the audit of cost record maintained by the Company for the financial year ending March 31, 2025, at a remuneration of Rs. 1,47,500/- (Rupees One Lakh Forty-Seven Thousand Five Hundred only) plus applicable taxes and out of pocket expenses, if any, incurred in connection with the audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be ratified by the Members of the Company. Accordingly, the consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors or any Key Managerial Personnel or any of their relatives is, in anyway, concerned or interested, financially or otherwise in the above resolution as set out in item no. 10 of this notice.

The Board of Directors of the Company recommend the resolution as set out in item no. 10 of the accompanying Notice for the approval of the members by way of **Ordinary Resolution**.

By Order of the Board  
For, **IRM Energy Limited**

**Harshal Anjaria**  
CFO

Place: Ahmedabad  
Date: June 26, 2024

## ANNEXURE - I

**Details of Directors seeking appointment/re-appointment, pursuant to regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India:**

Particulars	Details	
Name of the Director	Dr. Rajiv I Modi	Mrs. Kaushal Nakrani
DIN	01394558	08405226
Date of Birth (Age in years)	09-05-1960 (64 years)	26-10-1964 (60 years)
Date of first appointment	01-12-2015	01-06-2024
Qualification(s)	Bachelor of Technology in chemical engineering from Indian Institute of Technology, Bombay. He also holds a diploma in Biochemical Engineering from University College London and a degree of a Doctor of Philosophy (Biological Sciences) from University of Michigan.	B.Com. (Bombay University) and LL.B. (Gujarat University)
Experience/ Expertise in Specific Functional Areas/ Brief Profile	Dr. Rajiv I Modi holds a Bachelor of Technology in chemical engineering from Indian Institute of Technology, Bombay. He also holds a diploma in Biochemical Engineering from University College London and a degree of a Doctor of Philosophy (Biological Sciences) from University of Michigan. He is a fellow member at Indian National Academy of Engineering. He also serves as the Chairman of Board of Governors of IIT Guwahati and Chairperson of the Board of Governors of IIT Gandhinagar, Gujarat. He is also a member of the Board of Governors of the Academy of Scientific and Innovative Research. He has more than thirty years of experience as an industrialist in the pharmaceuticals industry and at present he is the chairman and managing director of Cadila Pharmaceuticals Limited.	Mrs. Kaushal Nakrani is a Practicing Advocate in High Court for more than 24 years. She holds Bachelor of Commerce from Bombay University and Bachelor of Law from Gujarat University. She is practicing in the areas of Banking Law, Legal Audit, Arbitration Matters, Matrimonial Matters, and Cooperative Societies Matters etc. She is also penal advocate of various public sector banks.
Directorship in other companies including listed companies	<ol style="list-style-type: none"> <li>1. Cadila Pharmaceuticals Limited</li> <li>2. IRM Private Limited</li> <li>3. Redefine Leisure Private Limited</li> <li>4. CPL Biologicals Private Limited</li> <li>5. La Vie Biologicals Private Limited</li> <li>6. CPL Holdings LLP</li> <li>7. CPL Infrastructure Private Limited</li> <li>8. IRM Enterprises Private Limited</li> <li>9. Apollo Hospitals International Limited</li> <li>10. Apollo CVHF Limited</li> <li>11. GIG - IRM Glass Insulators Private Limited</li> <li>12. PHD Chamber of Commerce and Industry</li> </ol>	<ol style="list-style-type: none"> <li>1. Astral Limited</li> <li>2. Astral Coatings Private Limited</li> </ol>

Particulars	Details	
	<b>Foreign Companies</b>	
	13. Satellite Overseas (Holdings) Limited	
	14. SOHL INC., USA	
	15. Cadila Pharmaceuticals (UK) Limited	
	16. Cadila Pharmaceuticals (Ethiopia) Plc.	
	17. Cadila Pharmaceuticals (E.A.) Limited	
	18. Interpharma Industries Limited	
	19. Kadera Yakuhin Limited	
	20. RISM Limited	
	21. CPL Biologicals US LLC	
	22. Modavar Pharmaceuticals LLC	
	23. RRM Properties LLC	
	24. Nivagen Pharmaceuticals LLC	
	25. Cadila Pharmaceuticals (Uzbekistan) LLC.	
	26. EQL Pharma AB	
Listed entities from which the person has resigned in the past three years	Nil	Nil
Chairmanship / Membership of Committees	<b>Audit Committee:</b> 1. Cadila Pharmaceuticals Limited - Member	<b>Nomination and Remuneration Committee:</b> 1. Astral Limited - Member
Shareholding in the listed entity, including shareholders as a beneficial owner (equity shares)	2,05,58,773*	Nil
No. of Board Meetings Held/ Attended during FY 2023-24	05/06	NA
Last Remuneration drawn being Sitting Fees	Nil	NA
Details of Remuneration sought to be paid	Nil	Except, Sitting Fee for attending the Board and/or Committee Meetings, no other remuneration is payable
Terms and condition for appointment	Liabile to retire by rotation	As per the resolution in item no. 6 of this Notice read with the explanatory statement thereto
Disclosure of relationships between directors inter-se	Nil	Nil
Justification for appointment and Skills and capabilities required for the role of Independent Director and the manner in which the proposed person meets such requirements.	NA	Mrs. Kaushal Nakrani fulfils the conditions specified in the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16 (1) (b) of the Listing Regulations for her appointment as an Independent Director of the Company, is independent of the management and possesses appropriate skills, experience and knowledge as mentioned in her profile above and as recommended by NRC and Board.

\* The equity shares of the Company are held through Cadila Pharmaceuticals Limited and IRM Trust.



**Registered Office:**

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