



Petronet MHB Limited

**ANNUAL ACCOUNTS
AS PER IND AS
FOR THE
FINANCIAL YEAR
2021-2022**

**Registered Office:
Corporate Miller, 2nd Floor, Block – B,
332/1, Thimmaiah Road,
Bangalore- 560 052**

Ph- 080- 22262317/22262316/22262243

Fax: 080-2226-2242

Website: www.petronetmhbl.com

E-mail: headoffice@petronetmhbl.com

Independent Auditor's Report

To the Members of M/s. Petronet MHB Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s. Petronet MHB Limited ("*the Company*"), which comprise the balance sheet as at March 31, 2022, the statement of Profit and Loss, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the standalone 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 March 31, 2022 and its profit, 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 Companies Act, 2013. 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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 Company's annual report but does not include the standalone financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of this auditor's report.

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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

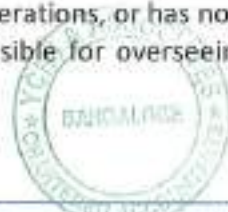
When we read the other information, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance and take appropriate action accordingly.

Responsibility of Management for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We communicate with 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. As per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;
 - 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. As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government Company;



- 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 litigations on its financial position in its standalone financial statements – Refer Note No.29 of the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediary"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. The dividend paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
3. As required by section 143 (5) of the Act, we give in "Annexure C", a statement on the matters specified by the Comptroller and Auditor General of India for the company.

Place: Bangalore
Date: 21-04-2022



For YCRJ & Associates
Chartered Accountants
Firm Regn No. 0069275

Y. Poornima
CA Poornima Y
Partner

M.No: 212804
UDIN: 22212804AHPHTS4858

"Annexure A" to the Independent Auditors Report

{Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2022}

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b. As per the information and explanation given us, all Property, Plant and Equipment, right-of-use assets and other intangible assets have been physically verified by the management during the year which in our opinion, is reasonable having regard to size of the company and the nature of its assets. As explained to us no material discrepancies were noticed on such verification.
 - c. As per the information and explanation given us and based on the examination of the records of the Company, the title deeds of immovable properties are not held in the name of the company in few cases. In respect of lands allotted by KIADB amounting to Rs.29.59 Lakhs, Lease cum sale agreements were entered into an absolute sale deed has not been executed
 - d. As per the information and explanation given us the Company has not revalued any of its Property, Plant and Equipment (including right of-use assets).
 - e. As per the information and explanation given us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. The company is a service company, primarily rendering transportation of petroleum products. Accordingly, it does not hold any physical inventories other than stores, spares and project surplus. The management has conducted physical verification of such inventories at the end of the year. No material discrepancies were noticed during such verification.
 - b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.



- iii. As per the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans, secured or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Hence reporting under clause 3(iii) of paragraph 3 of the Order are not applicable.
- iv. As per the information provided and explanation given to us, there are no loans, investments, guarantees, and security under section 185 and 186 of the Companies Act 2013. Hence the provisions of clause 3(iv) of paragraph 3 of the Order are not applicable.
- v. As per the information provided and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable
- vi. We have broadly reviewed accounts and records maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.
- vii.
- a. As per the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues including Goods and service tax, provident fund, income-tax, cess and other statutory dues to the appropriate authorities. As explained to us, the company did not have any dues on account of employee's state insurance, duty of customs and duty of excise.
As per the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on March 31, 2022 for a period of more than 6 months from the date they became payable.
- b. As per the information and explanations given to us, the following statutory dues have not been deposited on account of dispute:

Statute	Nature of dues	Amount Rs.in lakhs	Forum where dispute is pending
Income tax Act, 1961	Income tax	30.40	Commissioner of Income Tax (Appeal)

- viii. As per the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable.
- ix. As per the information and explanations given to us, the company does not have any loans or borrowings from a financial institution, bank, Government or issued any debenture. Hence, reporting under clause 3(ix) of the Order is not applicable.



- x. As per the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x) of the Order is not applicable.
- xi.
 - a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c. As per the information and explanation given to us, the Company has not received any whistle blower complaints during the year.
- xii. The company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii. As per the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.
 - a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and also is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence clause 3(xviii) is not applicable to the company.
- xix. 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.
- xx.
- a. As per the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. As per the information and explanations given to us, there are no ongoing projects, where the Company has any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year as per the provision of section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

Place: Bangalore
Date: 21-04-2022



For YCRJ & Associates
Chartered Accountants
Firm Regn No. 0069275

Y. Poornima
CA Poornima Y
Partner

M.No:212804
UDIN: 22212804AHPHTS4858

"Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2022)

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

We have audited the internal financial controls over financial reporting of M/s. Petronet MHB Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Place: Bangalore
Date: 21-04-2022

For YCRJ & Associates
Chartered Accountants
Firm Regn No. 0069275



Y. Poornima
CA Poornima Y
Partner
M.No: 212804

UDIN: 22212804AHPHTS4858

"Annexure – C" to the Independent Auditors Report

(Referred to in paragraph 3 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the company for the year ended 31st March, 2022)

Direction: I. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, maybe stated

Observation: The Company is using an IT - ERP system viz. SAP in which the accounting transactions are processed. The accounting transactions including the payroll are inbuilt in the IT-ERP system. The company does not have any outside IT software that needs to be integrated in the accounts.

Direction: II. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?

Observation: There are no restructuring of an existing loan or cases of waiver write off of debts Loans, interest, etc., made by lender to the company due to the company's ability to repay the loan.

Direction: III. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.

Observation: No funds were received/receivable for specific schemes from Central / State Government or its agencies.

Place: Bangalore
Date: 21-04-2022



For YCRJ & Associates
Chartered Accountants
Firm Regn No. 0069275

Y. Poornima
CA Poornima Y
Partner
M.No: 212804

UDIN: 22212804AHPHTS4858

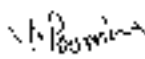
Petroret MHR Limited
Balance Sheet as at March 31, 2022

Rs. In Lakhs

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	7	12,395.31	12,693.89
(b) Right-of-use assets	21	647.36	693.94
(c) Capital work-in-progress	22	155.1	26.12
(d) Investment Property	4	7.33	7.45
(e) Other Intangible assets	4	902.54	895.7
(f) Financial Assets			
(i) Held-to-maturity assets	5	259.01	259.35
(ii) Other non-current assets	7	1,555.36	1,275.47
(g) Non-Current Tax Assets/Net	7.1	87.66	258.29
Total Non-Current Assets		16,129.68	16,929.36
Current assets			
(a) Inventories	8	262.13	264.22
(b) Financial Assets			
(i) Trade receivables	9	1,467.05	1,176.22
(ii) Cash and cash equivalents	10	42,010.38	46,240.39
(iii) Bank balance of non-bank financial institutions	11	869.85	655.37
(iv) Other financial assets	5	1,362.28	1,827.44
(c) Other current assets	12	95.28	101.56
Total Current Assets		46,368.39	50,349.50
Assets classified as held for sale	13	373.27	361.31
Total Assets		62,928.34	67,633.57
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	51,871.73	51,871.73
(b) Other Equity	14.1	1,722.12	1,524.19
Total equity		53,593.85	53,395.92
Liabilities			
Non-current liabilities			
(a) Long-term Liabilities			
(i) Lease liabilities	16.1	531.94	1,043.37
(ii) Trade payables	15		
Days of Micro & Small Enterprises			
Days of other other than Micro & Small Enterprises			
(iii) Other financial liabilities	16	657.65	657.65
(b) Provisions	17	277.02	246.11
(c) Deferred tax liabilities (Net)	6	1,327.63	1,007.10
Total Non-Current Liabilities		3,556.48	3,344.67
Current liabilities			
(a) Current Liabilities			
(i) Lease liabilities	16.1	10.36	89.41
(ii) Trade payables	15		
Days of Micro & Small Enterprises		47.62	1,950.1
Days of other other than Micro & Small Enterprises		156.76	156.76
(iii) Other financial liabilities	16	157.94	456.34
(b) Other current liabilities	8	259.02	2,082.43
(c) Provisions	7	95.69	3.37
Total Current Liabilities		1,519.41	3,582.69
Total Equity and Liabilities		62,928.34	67,633.57


The accompanying notes 1 to 31 form an integral part of the financial statements.

As per our report of even date attached
for VYRL & Associates
Chartered Accountants
Firm Registration Number: 1169275


Pratiksha V
Partner
Membership Number: 21264




As resolved on behalf of the Board of Directors of
Petroret MHR Limited


Mukundan V. V.
Managing Director
DIN: 00115258


Rakesh Kaul
Director
DIN: 07973110


Chandan Kumar Das
Chief Financial Officer


Sreelakshmi
Company Secretary

Place: Bangalore
Date: 31/3/22

Place: Bangalore
Date: 31-3-2022

UDIN: 22012804 ANPHT54858

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

Rs. in lakhs

	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	19	10,205.55	7,736.26
Other Income	20	2,509.70	3,591.64
Total Income		12,815.25	11,327.90
Expenses			
Employer benefit expense	21	929.62	775.24
Finance costs	22	103.73	111.72
Depreciation and amortisation expense	2.2, 1.3 & 4	1,029.26	946.40
Other expenses	23	2,623.66	2,256.81
Total Expenses		4,675.27	4,089.93
Profit before tax		8,139.98	7,058.07
Tax Expense			
Current tax	6	2,016.74	1,687.71
Deferred tax	6	94.97	169.20
Total tax expense		2,111.71	1,856.91
Profit for the period		6,028.27	5,181.16
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Remeasurements of the defined benefit liabilities / assets		(1.75)	(1.59)
Income tax relating to items that will not be reclassified to profit or loss		0.31	0.40
Items that may be reclassified to profit or loss		-	-
Others (specify nature)		-	-
Income tax on items that may be reclassified to profit or loss		-	-
Total Other comprehensive income, net of tax		(1.31)	(1.19)
Total comprehensive income for the period		6,026.96	5,179.97
Earnings per equity share			
Basic	26	1.10	0.94
Diluted	26	1.10	0.94

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

As per our report of even date attached
for YCIU & Associates
Chartered Accountants
Firm Registration Number: 0616078

V. Purnima
Purnima V
Partner
Membership Number: 212804



for and on behalf of the Board of Directors of
Petroneel MIB Limited

Mukundan M.
Mukundan M.
Managing Director
DIN: 09187258

Rakesh Kant
Rakesh Kant
Director
DIN: 07975342

Chandan Kumar Das
Chandan Kumar Das
Chief Financial Officer

Sudhin Jesuwal
Sudhin Jesuwal
Company Secretary

Place: Bangalore
Date: 21/01/22
DIN: 22012804AHPH54858

Place: Bangalore
Date: 21.01.2022

Petronet NDT Limited
Statement of changes in Equity
A. Equity Share Capital

C1) Current reporting period				Rs. in lakhs	
	Changes in Equity Share Capital due to prior Period Entries	Revised Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022	
Balance as at April 1, 2021	54,870.73	54,870.73	-	54,870.73	
	54,870.73	54,870.73	-	54,870.73	

C2) Previous reporting period				Rs. in lakhs	
	Changes in Equity Share Capital due to prior Period Entries	Revised Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021	
Balance as at April 1, 2020	54,870.73	54,870.73	-	54,870.73	
	54,870.73	54,870.73	-	54,870.73	

D. Other Equity

	Share Application money pending for allotment	Equity component of cumulated financial instruments	Reserves & Surplus		Equity Instruments through other comprehensive income	Debt Instruments through other comprehensive income	Revaluation Surplus	Other items of Other Comprehensive Income (specify nature)	Money received against share warrant	Total Equity attributable to equity holders of the company
			Retained earnings	Capital reserve						
Balance as at April 1, 2021	-	-	5,834.48	-	-	-	-	-	-	5,834.48
Changes in accounting policy in prior period	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	-	-	5,834.48	-	-	-	-	-	-	5,834.48
Profit for the period	-	-	6,026.96	-	-	-	-	-	-	6,026.96
Change in measurement of defined benefit plans	-	-	(1.31)	-	-	-	-	-	-	(1.31)
Total comprehensive income for the year	-	-	6,026.96	-	-	-	-	-	-	6,026.96
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	(6,799.22)	-	-	-	-	-	-	(6,799.22)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-
Any other Change (to be specified)	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	5,062.13	-	-	-	-	-	-	5,062.13



Petronet NHBP Limited
Statement of changes in Equity

	Share Application money pending for allotment	Equity component of repositioned financial instruments	Reserves & Surpluses			Debit Instruments through other comprehensive income	Revaluation Surplus	Other items of Comprehensive Income (specify nature)	Money received against share payment	Total Equity attributable to equity holders of the company
			Retained earnings	Capital reserve	General reserve					
Balance as at April 1, 2020	-	-	33,576.95	-	-	-	-	-	33,576.95	
Change in accounting policy in prior years' entries	-	-	-	-	-	-	-	-	-	
Residual balance as at April 1, 2020	-	-	33,576.95	-	-	-	-	-	33,576.95	
Profit for the Year	-	-	5,181.16	-	-	-	-	-	5,181.16	
Net financial gains/loss on account of re-measurement of derivatives	-	-	-	-	-	-	-	-	-	
Dividend paid	-	-	(1.10)	-	-	-	-	-	(1.10)	
Total comprehensive income for the year	-	-	5,179.97	-	-	-	-	-	5,179.97	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	
Dividends transferred to retained earnings	-	-	(2,922.44)	-	-	-	-	-	(2,922.44)	
Appreciation (Change) on investments	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2021	-	-	35,835.58	-	-	-	-	-	35,835.58	

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

As per report of erstwhile attached by VYRE & Associates Chartered Accountants Firm Registration Number: UG9923

V. B. Bhat
Chartered Accountant
Firm Registration Number: UG9923



for and on behalf of the Board of Directors of Petronet NHBP Limited

M. Kundur V. M.
M. Kundur V. M.
Chartered Accountant
DIN: 02117528

M. K. Kulkarni
M. K. Kulkarni
Chartered Accountant
DIN: 02117528

Chandrasekhar D. B.
Chandrasekhar D. B.
Chartered Accountant

S. S. Srinivasan
S. S. Srinivasan
Chartered Accountant

Place: Bangalore
Date: 21/03/2022

Place: Bangalore
Date: 21/03/22

UDIN: 222128049HPHT54858

Petrocel NTRB Limited
Statement of Cash flows for the year ended March 31, 2022

Rs. in lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities:		
Profit for the period before tax	2,139.98	7,038.07
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization	1,021.20	506.19
Loss on disposal of fixed assets	0.00	0.00
Interest income on fixed deposits	(2,342.24)	(2,345.43)
Lease Charges on Lease	1,02.73	108.65
Other adjustments	(76.45)	3.00
Change in gross and liabilities:		
Trade receivables	(369.41)	387.71
Other financial assets	7.70	(13.25)
Inventories	2.09	(72.36)
Other assets	(13.81)	(21.34)
Trade payables	11.58	(22.12)
Other Current Liabilities	(108.94)	(241.04)
Provisions and other liabilities	(2,051.11)	2,468.55
Cash generated from operations	4,450.02	7,400.68
Income taxes paid	(1,560.58)	(1,651.65)
Net cash generated from operating activities	2,889.44	5,749.03
B. Cash flow from investing activities:		
Acquisition of property, plant and equipment	(297.39)	(472.08)
Proceeds from sale of property, plant and equipment	0.00	0.13
Capital advances	(7.00)	-
Bank Deposits and liquidity of cash and cash equivalents:		
Paid	668.37	-
Withdrawn	(1,669.88)	1.60
Interest received on fixed deposits	3,202.16	3,351.29
Net cash from investing activities	1,798.68	3,412.91
C. Cash flow from financing activities:		
Interest expense on lease liabilities	(1,02.73)	(108.65)
Payment of lease liabilities	(87.70)	(72.04)
Payment of interim dividends	(8,779.32)	(2,927.44)
Net cash used in financing activities	(8,967.75)	(3,108.09)
Net increase/decrease in cash and cash equivalents	(4,380.63)	(23,942.63)
Cash and cash equivalents at the beginning of the period	46,299.79	70,242.42
Cash and cash equivalents at the end of the period	42,019.08	46,299.79

The accompanying notes 1 to 20 form an integral part of the financial statements

As per our report of even date attached
 by YCRJ & Associates
 Chartered Accountants
 Firm Registration Number: 0026275

Y. Peruvu
 Pravinna V
 Partner
 Member's Number: 212864



As per our report of the date of this report
 Petrocel NTRB Limited

Mukund V. V.
 Mukund V. V.
 Managing Director
 DIN: 00182294

Chandras Kumar Das
 Chandras Kumar Das
 Chief Financial Officer

Halesh Kaul
 Halesh Kaul
 Anchor
 DIN: 07923442

Sachin Jayswal
 Sachin Jayswal
 Company Secretary

Place: Bangalore
 Date: 21/4/22

UDIN: 22212804AKPHT54858

Place: Bangalore
 Date: 21/4/2022

SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

Petronet MHB Limited (The 'Company') was incorporated on 31st July, 1998 on common carrier principle to provide petroleum product transportation facility from Mangalore Refinery at Mangalore to the Oil Marketing Companies Terminals at Hassan & Devacaganhi (Bangalore). The Company is a Public Limited Company incorporated & domiciled in India. Its shares are not listed on any recognised stock exchanges in India. The registered office of the company is located at # Corporate Mile, 2nd Floor, Block B, 3321, Thimmar Road, Vasanth Nagar, Bangalore Karnataka- 560 052.

SIGNIFICANT ACCOUNTING POLICIES

1.1. Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies (Indian Accounting Standards) Rules, 2015.

1.2. Basis of preparation

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

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

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

The Corporation's Presentation currency and Functional currency is Indian Rupees (Rs). All figures appearing in the Financial Statements are rounded to the nearest lakhs (Rs Lakhs), except where otherwise indicated.

1.3. Use of estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and takes assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1.3.1 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

1.3.2 Valuation of deferred tax assets

The company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 1.11.2.



1.3.3 Provisions, Contingent liabilities & Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities & Contingent assets are not recognised in the financial statements, however contingent liabilities and Contingent assets are disclosed in the financial statement.

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.4. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current' non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in normal' operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

1.5. Assets held for sale

Non-current assets and disposal groups are classified as held for sale, if their carrying amount will be recovered primarily through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell

1.6. Revenue Recognition

Revenue is recognised upon transfer of Control of Promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.



1.6.1. Income from Services

Transportation income is recognised as upon transfer of service to the customer i.e. on delivery of petroleum products to oil marketing companies. Revenue is recognised by allocating the transaction price as per agreed tariff rate to the distinct service .

1.6.2. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.6.3. Other Income

Insurance claims are accounted on acceptance of claims by respective Insurance Companies. The liquidated damage recovered from contracts (both revenue and capital contracts) is recognised as income as and when recovered.

1.7. Leases

The Company's Lease asset classes primarily consist of leases for Land and Building . The Company assesses whether a Contract contains a lease, at inception of a Contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets 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 commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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 a straight-line basis over the term of the lease .

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable,using the incremental borrowing rates of these leases.

1.8. Foreign Currency

In preparing the financial statements of the company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

1.9. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use .

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



1.10. Employee Benefits

1.10.1. Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.10.2. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

1.11. Taxation

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

1.11.1. Current tax

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



1.11.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.11.3. Current and deferred tax for the year

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

1.12. Property, Plant & Equipment

Land and buildings held for use in the supply of services or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

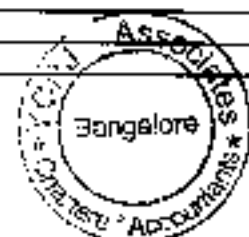
1.12.1. Depreciation:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of property, plant & equipment is as specified below. Residual value is taken at 5%.

Building	7 years to 30 years
Computer equipment	3 years
Server	6 years
Plant and Equipment*	10 to 15 years
- Solar Power Plant :	25 years
Roads :	5 years
Pipeline :	30 years
Office equipment :	5 years
Furniture and fixtures* :	10 years



*- Based on the evaluation, the management believes that the useful lives as given above best represent the period over which the management expects to use the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II of the Companies Act, 2013.

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

1.13. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.13.1. Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

1.13.2. Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Right of Way	Indefinite
Computer Software	6 years

1.14. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets with finite life, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



1.15. Inventories

Inventories that comprise of stores and spares (which qualify as inventories) are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

1.16. Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision is expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.16.1. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

1.17. Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

1.17.1. Financial assets

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

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

1.17.2. Classification of financial assets

Financial assets at amortised cost

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



Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

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 and loss are immediately recognised in statement of profit and loss.

1.17.3. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

1.17.4. Effective interest method

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

1.17.5. Impairment of financial assets

The company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate. The company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the company always measures the loss allowance at an amount equal to lifetime expected credit losses.



Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

1.17.6. Derecognition of financial assets

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

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

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

1.18. Cash and Cash Equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.19. Trade Receivables

Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost using effective interest rate method, less provision for impairment.

1.20. Trade & other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



1.21. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date of original construction, based on the useful life prescribed in Schedule II to the Companies Act, 2013 using the straight-line method. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based either on the latest available information based on 'stamp duty - annual statement of rates' applicable to the area in which the land is situated, market comparison approach or on periodical evaluation performed by an external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

1.22. Earnings per Share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company does not have any potentially dilutive securities.

1.23. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.24. Rounding of amounts

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



Description of Assets	By nature							Total	
	Land - Freehold	Buildings - Freehold	Computers and Data Processing Equipment	Items and Equipments - Freehold	Boats	Pipeline	Other Equipment		Furniture and Fixtures
I. Gross Block									
Balance as at April 2021	30,42	2,060,84	851,59	8,411,39	215,31	6,152,07	63,02	148,22	17,287,96
Depreciation	-	51,59	1,157	9,411	3,07	20,4	5,25	29,49	30,825
Disposals	-	1,60	1,60	0,75	-	-	-	1,60	3,69
Reclassification for use	-	-	-	-	-	-	-	-	-
Rebalance as at 31 March, 2022	30,42	2,007,65	1,081,17	8,410,64	212,24	6,131,67	57,77	117,13	17,147,11
II. Accumulated depreciation and impairment for the year 2021-22									
Balance as at April 2021	-	478,66	32,39	2,594,17	45,19	1,249,15	40,61	82,41	4,298,01
Depreciation/impairment expense for the year	-	100,42	4,7	4,910	24,81	2,57,67	14,89	1,57	3,92,11
Transferred for financial years	-	-	4,46	-	-	-	-	-	4,46
Cancelled on reclassification as per note 4	-	-	-	-	-	-	-	-	-
Rebalance as at 31 March, 2022	-	579,08	37,04	2,634,17	70,00	1,486,78	55,50	84,23	5,191,79
Net Block (I-II)									
YTD Gross as at 31 March 2022	30,42	1,488,96	1,044	5,710,66	145,24	4,644,90	37,21	67,09	12,056,32
YTD Gross as at 31 March 2021	30,42	1,791,33	1,011	6,012,13	122,02	5,394,29	41,16	148,11	12,255,65

Description of Assets	By nature							Total	
	Land - Freehold	Buildings - Freehold	Computers and Data Processing Equipment	Items and Equipments - Freehold	Boats	Pipeline	Office Equipments		Furniture and Fixtures
I. Gross Block									
Balance as at 31 March, 2020	30,42	3,019,20	49,39	8,130,49	217,21	6,152,07	71,68	136,41	14,773,42
Accruals	-	1,81	1,53	5,282	-	-	12,5	16,8	11,225
Deposits	-	-	2,35	1,7	-	-	-	-	3,91
Rebalance as at 31 March, 2021	30,42	2,021,14	154,59	8,448,40	217,21	6,132,07	84,23	148,22	15,075,96
II. Accumulated depreciation and impairment for the year 2020-21									
Balance as at April 2020	-	592,46	22,58	4,970,14	21,59	1,014,59	17,36	37,08	6,694,87
Depreciation/impairment expense for the year	-	37,20	11,21	11,908	25,81	23,159	2,22	14,92	30,129
Eliminated on disposal of assets	-	-	7,44	0,07	-	-	-	0,02	7,53
Eliminated on reclassification as per note 4	-	-	-	-	-	-	-	-	-
Rebalance as at 31 March, 2021	-	476,66	34,35	2,041,17	47,40	1,249,15	40,61	51,91	4,298,01
Net Block (I-II)									
Balance as at 31 March 2021	30,42	1,544,48	120,24	6,407,23	169,81	4,882,92	43,62	96,31	10,777,91
Balance as at 31 March 2020	30,42	1,122,84	133	6,117,17	195,60	5,117,28	48,95	91,17	11,217,35

Note: The above figures represent the gross value of assets and liabilities as at the end of the financial year. The figures shown above are subject to audit and are subject to change.

The above figures are subject to audit and are subject to change. The figures shown above are subject to audit and are subject to change.



Petrocel MHB Limited
Notes to the financial statements for the year ended March 31, 2022

Note No. 2.1 – Right of use Assets

Description of Assets	Rs. In Lakhs		
	Land	Building	Total
I. Gross Block			
Balance as at 1 April, 2021	998.65	268.77	1,267.42
Additions on account of adoption of Ind AS 116	-	-	-
Decrease due to remeasurement of lease liabilities	-	14.01	14.01
Disposals or classified as held for sale	-	-	-
Balance as at 31st March, 2022	998.65	282.78	1,281.43
II. Accumulated Depreciation and impairment for the year 2021-22			
Balance as at 1 April, 2021	167.48	106.90	274.38
Depreciation expense for the period	85.86	47.97	133.83
Eliminated on disposal of assets	-	-	-
Balance as at 31st March 2022	253.34	154.87	408.21
Net block (I-II)			
Balance as at March 31, 2022	745.31	127.91	873.22
Balance as at 31st March 2021	831.17	161.87	993.04

Description of Assets	Land	Building	Total
I. Gross Block			
Balance as at 1 April, 2020	998.65	268.77	1,267.42
Additions on account of adoption of Ind AS 116	-	-	-
Disposals or classified as held for sale	-	-	-
Balance as at 31st March, 2021	998.65	268.77	1,267.42
II. Accumulated depreciation and impairment for the year 2020-21			
Balance as at 1 April, 2020	85.68	53.15	138.83
Depreciation expense for the period	85.79	23.75	109.54
Eliminated on disposal of assets	-	-	-
Balance as at 31st March 2021	171.47	76.90	248.37
Net block (I-II)			
Balance as at March 31, 2021	827.18	191.87	1,019.05
Balance as on 31st March 2020	914.97	215.02	1,130.00

Note No. 2.2 – Capital Work In Progress

Particulars	Rs. In Lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Unallocated Capital Expenditure	155.41	46.12
Total	155.41	46.12

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

Capital Work In progress	Amount in capital work-in-progress for a period of				Total
	Less than		More than 3		
	1 year	1 - 2 years	2 - 3 years	years	
Project in progress	19.53	10.88	-	25.00	155.41
	119.53	10.88	0.00	25.00	155.41



Ageing for capital work-in-progress as at March 31, 2021 is as follows:

Capital Work in progress	Amount in capital work-in-progress for a period of				Rs. In lakhs
	Less than			More than 3	Total
	1 year	1 - 2 years	2 - 3 years	years	
Project in progress	21.42	-	-	25.00	46.42
	21.42	0.00	0.00	25.00	46.42

Note No. 3 - Investment Property

Description of Assets	Rs. in lakhs		
	Land	Building	Total
I. Gross Block			
Balance as at 1 April, 2021	5.17	3.00	8.17
Additions relating to acquisitions	-	-	-
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2022	5.17	3.00	8.17
II. Accumulated depreciation and impairment for the year 2021-22			
Balance as at 1 April, 2021	-	0.72	0.72
Depreciation expense for the year	-	0.12	0.12
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2022	-	0.84	0.84
Net block (I-II)			
Balance as at 31 March, 2022	5.17	2.16	7.33
Balance as at 31st March 2021	5.17	2.28	7.45

Description of Assets	Rs. in lakhs		
	Land	Building	Total
I. Gross Block			
Balance as at 1 April, 2020	5.17	3.00	8.17
Additions relating to acquisitions	-	-	-
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2021	5.17	3.00	8.17
II. Accumulated depreciation and impairment for the year 2020-21			
Balance as at 1 April, 2020	-	0.60	0.60
Depreciation expense for the year	-	0.12	0.12
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2021	-	0.72	0.72
Net block (I-II)			
Balance as on 31st March 2021	5.17	2.28	7.45
Balance as on 1st March 2020	5.17	2.40	7.57

Notes:

1) Assets pledged as security - Nil (Previous year Nil)

2) There were no income earned or expenditure incurred on the above Investment Property other than depreciation mentioned above. The fair value of the Property as per Valuation report dated 04-04-2019 issued by Mr. Ramesh N. Bhat, Government Approved Valuer is Rs. 22.11 lakhs.



Petronet MHB Limited

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

Note No. 4 - Other Intangible Assets

Description of Assets	<i>Rs. In lakhs</i>		
	Right of Way	Software	Total
Intangible Assets			
I. Cost or deemed cost			
Balance as at 1 April, 2021	755.51	157.44	912.96
Additions	-	34.83	34.83
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2022	755.51	192.27	947.79
II. Accumulated depreciation and impairment for the year 2021-22			
Balance as at 1 April, 2021	-	16.05	16.05
Amortisation expense for the year	-	29.10	29.10
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2022	-	45.15	45.15
Net block (I-II)			
Balance as on 31st March, 2022	755.51	147.13	902.64
Balance as on 31st March 2021	755.51	141.40	896.91

Description of Assets	<i>Rs. In lakhs</i>		
	Right of Way	Software	Total
Intangible Assets			
I. Cost or deemed cost			
Balance as at 1 April, 2020	755.51	11.94	767.46
Additions	-	145.50	145.50
Disposals or classified as held for sale	-	-	-
Balance as at 31 March, 2021	755.51	157.44	912.96
II. Accumulated depreciation and impairment for the year 2020-21			
Balance as at 1 April, 2020	-	8.31	8.31
Amortisation expense for the year	-	7.74	7.74
Eliminated on disposal of assets	-	-	-
Eliminated on reclassification as held for sale	-	-	-
Balance as at 31 March, 2021	-	16.05	16.05
Net block (I-II)			
Balance as on 31st March 2021	755.51	141.40	896.91
Balance as on 31st March 2020	755.51	3.64	759.15

Notes:

1) The Company holds a Right of Way for laying Pipeline between Mangalore and Bangalore via Hassan. The cost of acquiring the right has been capitalized as intangible Assets. The right is an indefinite/perpetual, right with no stipulation over the period of validity. Hence the same is not amortized.



Note 5 - Other Financial Assets

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-Current		
<i>Unsecured, considered good</i>		
Security Deposits	249.60	249.59
<i>Loans having significant increase in credit risk, credit impaired</i>		
Total	249.60	249.59
Current		
<i>Unsecured, considered good</i>		
Security Deposits	1.57	5.28
Interest secured On Deposits	1,860.71	1,822.15
<i>Loans having significant increase in credit risk, credit impaired</i>		
Total	1,862.28	1,827.43

Note 6 - Income Taxes

Income tax expense in the statement of profit and loss comprises:

Rs. In lakhs

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Current tax for the year	2,028.75	1,680.19
Current tax for Prior years	112.33	5.53
Deferred taxes Liability	94.97	169.20
Income tax expense	2,111.71	1,856.91

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised below:

Income tax expense in the statement of profit and loss comprises:

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Profit before income taxes	8,139.98	7,058.07
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	2,048.67	1,751.34
Effect of non-deductible expenses	60.91	69.11
Effect of timing differences	(80.85)	(150.26)
Income tax expense	2,028.75	1,680.19

The applicable income tax rate for financial year 2021-22 & 2020-21 is 25.168% as available under ITDCAA - Tax on income of Certain Domestic companies as notified as per taxation Laws (Amendment) Act, 2019.

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2022, and March 31, 2021

Rs. In lakhs

	As at	
	March 31, 2022	March 31, 2021
Income tax assets	37.76	268.39
Current income tax liabilities		
Net current income tax assets/ (liability) for the end	37.76	268.39



Petronet MHB Limited
Notes to the financial statements for the year ended March 31, 2022

The gross movement in the current income tax asset (liability) for the year ended March 31, 2022 and March 31, 2021 is as follows:

Particulars	Rs. in lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Net current income tax asset (liability) at the beginning	268.39	174.09
Income tax paid	1,906.35	1,782.02
Income tax refund received	(129.75)	-
Current income tax expense	42,028.751	41,686.149
Current income tax for Prior years	12.12	(7.52)
Net current income tax asset (liability) at the end	37.76	268.39

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	Rs. in lakhs	
	As at	
	March 31, 2022	March 31, 2021
Deferred income tax assets		
Contribution payable to employees	22.72	19.65
Compensated absences	44.86	38.76
Deferred tax on account of leased assets	46.37	35.28
Total deferred income tax assets	113.95	93.69
Deferred income tax liabilities		
Depreciation impact on PPE (Ex. Property and intangible assets)	(1,614.59)	(1,499.36)
Others	-	-
Total deferred income tax liabilities	(1,614.59)	(1,499.36)
Deferred income tax assets after set off	(1,500.64)	(1,405.67)

Deferred tax assets and deferred tax liabilities have been offset as the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of these deductible differences.

The gross movement in the deferred income tax account for the year ended March 31, 2022 and March 31, 2021, are as follows:

Particulars	Rs. in lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Net deferred income tax asset at the beginning	(1,397.10)	(1,238.36)
Credits / (charge) relating to temporary differences	(94.97)	(169.20)
Temporary differences on other comprehensive income	0.41	0.41
Net deferred income tax asset (liability) at the end	(1,491.66)	(1,397.10)



Perronet NHB Limited
Notes to the financial statements for the year ended March 31, 2022

Note 7 - Other Non Current Assets

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
<i>Unsecured, considered good</i>		
Capital advances		
Against Land	9.71	9.71
Advances other than Capital advances		
Prepaid Expenses	76.55	17.13
Others		
Court Deposit	1,417.02	1,417.02
<i>Loans receivables which have significant increase in credit risk - Credit impaired</i>	-	-
	1,533.29	1,473.87

Notes:

Upon Payment of Abatement Consideration the Company has been given possession of land at 4 different locations. The Company is yet to enter into lease cum sale Agreement with KADB for these lands. Hence the amount is not yet capitalised as freehold land.

Note 7.1 - Non Current Tax Assets

Particulars	As at	
	March 31, 2022	March 31, 2021
Non Current Tax Assets (Net)	37.76	268.39
	37.76	268.39

Note 8 - Inventories

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
<i>(At lower of cost and net realisable value)</i>		
Stores and spares at site	262.13	264.22
Total	262.13	264.22

Note 9 - Trade Receivables

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
Trade receivables, unsecured, considered good	1,465.65	1,176.22
Trade receivables, which have significant increase in credit Risk	-	-
Trade receivables - Credit Impaired	-	-
(A)	1,465.65	1,176.22
Less: Allowances for credit losses	-	-
(B)	-	-
Total (A-B)	1,465.65	1,176.22

Note 1:

Trade receivable includes Rs 173.27 Lakhs (B) & Rs 146.22 Lakhs receivable from MRPL, for which Company is yet to receive the balance consideration as on 31 March 2022.



Petronet MHB Limited
Notes to the financial statements for the year ended March 31, 2022

Ageing for trade receivables - billed - current outstanding as at March 31, 2022 is as follows:

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Month	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables - considered good	1,305.47	7.70	18.81	23.75	109.92	1,465.65
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
						<u>1,465.65</u>

Ageing for trade receivables - billed - current outstanding as at March 31, 2021 is as follows:

Rs. In lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Month	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed						
Undisputed trade receivables - considered good	1,025.18	14.30	26.82	109.92	-	1,176.22
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
						<u>1,176.22</u>

Note 10: Cash and cash equivalents

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
Cash on hand	0.28	0.12
Balances with banks:		
In current accounts	6.77	75.19
In deposit accounts	42,009.03	16,224.58
Total	<u>42,016.08</u>	<u>16,299.89</u>

(i) The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at 90% point without prior notice or penalty on the principal.

(ii) Balances with banks include deposits with remaining maturity of more than 12 months 502.67 12,571.01 from the Balance Sheet Date (Rs. In Lakhs)



Petromet MHB Limited
Notes to the financial statements for the year ended March 31, 2022

Note 11 - Bank Balance other than above

Particulars	Rs. in lakhs	
	As at	
	March 31, 2022	March 31, 2021
Balances with banks:		
In earmarked accounts		
Balance held as security against performance and other guarantees	669.88	668.37
Total	669.88	668.37

Note 12 - Other Current Assets

Particulars	Rs. in lakhs	
	As at	
	March 31, 2022	March 31, 2021
<i>Low cost, considered good</i>		
Advances other than Capital advances		
Prepaid Expenses	87.87	101.79
Advance for Expenses	2.40	2.75
Advances to Employees & Others	5.11	-
<i>Loans receivables which have significant increase in credit and Credit impaired</i>	-	-
Total	95.38	104.56

Note 13 - Assets classified as held for sale

Particulars	Rs. in lakhs	
	As at	
	March 31, 2022	March 31, 2021
Project Surplus held for sale	333.27	363.71
Total	333.27	363.71
Liabilities associated with assets	-	-

The Company intends to dispose of surplus materials used for the pay-lay testing project, it no longer utilizes in the next 12 months. These materials are located at various plants and were purchased for use during construction of pay-lay. Efforts are underway to dispose of the project surplus materials to Oil Companies. The Management of the Company expects that the fair value less cost to sell is higher than the carrying amount.

Note 14 - Equity Share capital

Particulars	Rs. in lakhs	
	As at	
	March 31, 2022	March 31, 2021
Authorised		
60,00,00,000 (P.Y.) - 60,00,00,000 equity shares of Rs. 10 each with voting rights	60,000.00	60,000.00
Total	60,000.00	60,000.00
Issued, subscribed and fully paid up		
54,87,07,264 (P.Y.) - 54,87,07,264 equity shares of Rs. 10 each with voting rights	54,870.73	54,870.73
Total	54,870.73	54,870.73



Petromer NIPP Limited
Notes to the financial statements for the year ended March 31, 2022

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Equity shares with voting rights

	Opening Balance	Fresh Issue	Other Changes	Closing Balance
Year Ended March 31, 2022				
No. of Shares	54,87,07,264	-	-	54,87,07,264
Amount (Rs. In lakhs)	54,870.73	-	-	54,870.73
Year Ended March 31, 2021				
No. of Shares	54,87,07,264	-	-	54,87,07,264
Amount (Rs. In lakhs)	54,870.73	-	-	54,870.73

(ii) Detail of the rights, preferences and restrictions attaching to each class of shares:

With respect to equity shares, company has only one class of equity share, having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 3% shares:

	No. of shares	
	As at 31 March, 2022	As at 31 March, 2021
Equity shares with voting rights:		
Hindustan Petroleum Corporation Ltd	27,43,33,652	27,43,33,652
% of holding	49.996%	49.996%
Oil & Natural Gas Corporation Ltd	27,43,33,652	27,43,33,652
% of Holding	49.996%	49.996%

(iv) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) whose payment being received in cash for the period of 3 years immediately preceding the Balance Sheet date

Particulars	Aggregate Number of Shares	
	As at 31 March, 2022	As at 31 March, 2021
Equity shares with voting rights		
Fully paid up pursuant to contract(s) without payment	Nil	Nil
Total	-	-

(v)

Disclosure of shareholding of promoters as at March 31, 2022 are as follows:

Promoter name	Shares held by promoters				
	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Oil & Natural Gas Corporation Ltd	27,433,652	49.996%	27,433,652	49.996%	-
Hindustan Petroleum Corporation	27,433,652	49.996%	27,433,652	49.996%	-



Petronet MHR Limited

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

Disclosure of shareholding of promoters as on March 31, 2021 are as follows

Promoter name	Shares held by promoters				
	As at March 31, 2021		As at March 31, 2020		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Oil & Natural Gas Corporation Ltd	274333652	49.996%	274333652	49.996%	-
Hindustan Petroleum Corporation	274333652	49.996%	274333652	49.996%	-

Note 14.1 - Other equity

Rs. In lakh

Particulars	As at	
	March 31, 2022	March 31, 2021
Retained earnings	5,882.13	5,834.48
Total	5,882.13	5,834.48

14.1.1 - Retained earnings

	Year ended March 31,	
	2022	2021
Balance at beginning of the year	5,834.48	75,576.95
Profit for the year	6,028.27	5,481.16
Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	(1.32)	(1.19)
Payments of dividends	(48,779.32)	(32,922.44)
Balance at the end of the year	5,882.13	5,834.48

Note 15 - Trade payables

Rs. In lakh

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Trade payable for goods & services		
(a) Dues of micro enterprises and small enterprises	-	-
(b) Dues of creditors other than micro and small enterprises	-	-
Total	-	-
Current		
Trade payable for goods & services		
(a) Dues of micro enterprises and small enterprises	47.62	106.64
(b) Dues of creditors other than micro and small enterprises	356.26	186.16
Total	404.38	292.80

Agging the trade payables outstanding as at March 31, 2022 is as follows:

Rs. In lakh

Trade Payable	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	47.62	-	-	-	47.62
Others	-	142.95	0.54	0.42	11.81	155.73
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-
	-	190.58	0.54	0.42	11.81	203.35
Accrued Expenses						201.02
						404.38



Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Trade Payable	Outstanding for following periods from due date of payment					Rs. In lakhs
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
	MSME	-	109.64	-	-	-
Others	-	89.19	1.81	0.82	13.78	102.59
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-
	-	195.83	1.81	0.82	13.78	210.23
Accrued Expenses						85.57
						292.80

Note 16 - Other Financial Liabilities

Particulars	Rs. In lakhs	
	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Deposits received from Dealers	0.66	0.66
Retention Money for capital supplies + services	16.75	16.75
Payables for capital supplies/services	640.28	640.28
Total	657.69	657.69
Current		
Deposits received from Dealers	16.64	18.92
Retention Money for capital supplies + services	152.24	176.59
Earnest Money Deposit	32.24	50.70
Dues to Employees & Others	8.79	41.32
Advance from Customers	1.06	-
Payables for capital supplies/services	147.46	179.50
Total	357.94	466.84

Note 16.1 - Lease liabilities

Particulars	Rs. In lakhs	
	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Lease liabilities	930.14	1,043.77
Total	930.14	1,043.77
Current		
Lease liabilities	101.36	89.44
Total	101.36	89.44



Note 17 - Provisions

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Provision for employee benefits		
Provision for compensated absences	155.82	157.59
Provision for gratuity	121.20	108.57
Total	277.02	246.11
Current		
Provision for employee benefits		
Provision for compensated absences	23.43	16.49
Provision for gratuity	4.82	5.59
Provision for Performance Incentives	68.55	61.78
Total	95.80	81.77

Details of movement in provisions:

Particulars	Gratuity Provision	Compensated absences	Performance Incentives
Balance at April 1, 2020	95.41	144.61	56.22
Additional provisions recognized	16.70	16.99	61.78
Amounts used (ie. incurred and charged against the provision) during the period	-	(7.60)	(28.51)
Unused amounts reversed during the period	-	-	(27.75)
Balance at March 31, 2021	112.11	154.00	61.76
Balance at April 1, 2021	112.11	154.00	61.76
Additional provisions recognized	19.20	38.82	68.55
Amounts used (ie. incurred, and charged against the provision) during the period	(5.30)	(14.59)	(48.51)
Unused amounts reversed during the period	-	-	(15.25)
Balance at March 31, 2022	126.01	178.25	68.55

Note 18 - Other Current Liabilities

Rs. In lakhs

Particulars	As at	
	March 31, 2022	March 31, 2021
Statutory dues		
Taxes payable (other than income taxes)	549.52	2,652.84
Total	549.52	2,652.84



Petrocel MFB Limited
Notes to the financial statements for the year ended March 31, 2022

Note 19 - Revenue from operations

Particulars	Rs. In lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Sale of services		
Freight Charges for Transportation of Petroleum Products	10,133.09	7,611.43
Dispatch charges	154.17	115.22
Other Operating Income	16.29	19.61
Total	10,303.55	7,736.36

Notes:

(i) The Freight Income is recognized based on the pipeline transportation tariff fixed by Petroleum & Natural Gas Regulatory Board (PNGRB).

PNGRB vide Order No. 10/2021-22/01 dated 31.12.2021 fixed the pipeline tariff by benchmarking against alternate mode of transport i.e. rail at a level of 7.75% railway tariff on a ton-km basis for equivalent km² distance along the pipeline route. Freight income for the period 01.04.2021 to 31.03.2022 was ignored based on Order No. 10/2021-22/01 dated 31.12.2021.

(ii) Earning in Foreign Currency: Rs Nil Previous Year: Rs Nil

Note 20 - Other income

Particulars	Rs. In lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Interest Income		
On Financial Assets at Amortised Cost	2,383.27	3,348.43
On Income Tax Refund	76.93	-
Insurance Claim	16.97	6.78
Other Miscellaneous Incomes	32.45	56.93
Total	2,509.62	3,391.64
Interest Income comprises of:		
Interest on Term Deposit	2,373.74	3,340.19
Interest on Security Deposit	7.63	8.74
Total - Interest income	2,381.37	3,348.43

Note 21 - Employee benefit expense

Particulars	Rs. In lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Salaries including Bonus etc.	671.76	579.92
Salaries including Bonus etc. For HPL Staff on Deputation*	189.74	153.14
Contributions to provident fund	34.18	30.96
Gratuities	17.45	15.11
Staff welfare expense	7.49	3.14
Total	921.62	775.30

* Salary of HPL Staff on deputation represents amounts debited by HPL. The above amount is reduced by 5% of CSR expense towards CSR amount of Rs 11.56 lakhs (P.Y. - Rs 17.92 lakhs)



Permet MHB Limited

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

Note 22 - Finance costs

Particulars	<i>Rs. In Lakhs</i>	
	Year ended	
	March 31, 2022	March 31, 2021
Interest on Expend Tax	-	3.07
Finance Charges on Lease	100.72	108.65
Total	100.72	111.72

Note 23 - Other expenses

Particulars	<i>Rs. In Lakhs</i>	
	Year ended	
	March 31, 2022	March 31, 2021
Power & Fuel	1,317.01	773.09
Repair & Maintenance on Plant and Machinery	71.62	63.16
Repair & Maintenance on Buildings	4.20	21.26
Repair & Maintenance - Furniture, B.O.W. & Office	112.35	124.27
Operations and maintenance - Contract Manpower	131.65	120.28
Stores & Spares Consumed	30.44	36.72
Insurance Premium	208.62	209.74
Painting of Mat on Piping And equipment's	15.02	20.11
Watch and Wards	250.81	524.58
Lease Rent	11.61	2.11
Compensation to C.A/LAO/STAFF	4.12	8.04
Communication Expense	27.28	21.00
Net Loss on sale of Fixed Assets	0.39	0.07
Printing & Stationery	8.01	5.72
Professional and Consultancy Charges (Refer Note 23A below)	17.04	13.09
Rates and Taxes	30.15	12.78
Training, Recruitment Seminar and Mock Drill Expenses	14.35	10.95
Traveling and Conveyance	40.46	26.98
Vehicle Hire Charges	85.00	13.02
Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.	241.60	271.46
Advertisement for Public Tender	1.78	24.97
Other Expenses	69.81	62.53
Total	2,633.66	2,256.81

Note 23A - Legal and professional charges include payment to auditors (excluding GST)

As auditors		
Stationery and air	2.25	2.25
For taxation matters	0.70	0.70
For Company Law matters	-	-
For other services	1.31	1.86
Total	4.26	4.81



Note 24 - Employee Benefits

u. Defined Benefit Plan - Gratuity

The following tables set out the gratuity plans (unfunded) and the amounts recognized in the Company's financial statements as at March 31, 2022 and March 31, 2021:

	<i>Rs. In lakhs</i>	
	Amount March 31, 2022	March 31, 2021
Change in benefit obligations		
Benefit obligations in the beginning	112.12	95.02
Service cost	9.95	8.72
Interest expense	7.50	6.39
Curtailment gain	-	-
Transfer of obligation	-	-
Remeasurements - Actuarial (gain)/losses	1.75	1.49
Benefits paid	(4.50)	-
Benefit obligations at the end	126.02	112.12
Change in plan assets		
Fair value of plan assets at the beginning	-	-
Interest income	-	-
Transfer of assets	-	-
Remeasurements- Return on plan assets excluding amounts included in interest income	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end	-	-

Amount for the year ended March 31, 2022 and March 31, 2021 recognized in the Statement of Profit and Loss under employee benefit expenses:

Particulars	<i>Rs. In lakhs</i>	
	Year ended March 31, 2022	March 31, 2021
Service cost	9.95	8.72
Net interest on the defined benefit obligation	7.50	6.39
Net gratuity cost	17.45	15.11

Amount for the year ended March 31, 2022 and March 31, 2021, recognized in statement of other comprehensive income:

Particulars	<i>Rs. In lakhs</i>	
	Year ended March 31, 2022	March 31, 2021
Remeasurements of the net defined benefit liability (asset)		
Actuarial (gain)/losses		
(Gain)/loss due to change in demographic assumptions	-	-
(Gain)/loss due to change in financial assumptions	15.751	(1.42)
(Gain)/loss due to experience adjustments	8.59	5.00
Offsetting loss on plan assets excluding amounts included in the net interest on the net defined benefit liability (asset)	-	-
	1.75	1.59

The weighted-average assumptions used to determine benefit obligations as at March 31, 2022 and March 31, 2021 are set out below:

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.25%	6.40%
Salary escalation rate	5.00%	5.00%

The Company assesses these assumptions with its projected long-term plans of growth and premium income standards. The discount rate is based on the government securities yield.



f. Long-term employee benefits - Earned and Sick Leave Entitlement

The following tables set out the leave plans and the amounts recognized in the Company's financial statements as at March 31, 2022 and March 31, 2021.

	<i>Rs. In lakhs</i>	
	As at March 31, 2022	March 31, 2021
Change in benefit obligations		
Benefit obligations at the beginning	151.99	141.60
Service cost	16.37	2.66
Interest expense	9.91	9.49
Curtailed gain	-	-
Transfer of obligation	-	-
Remeasurements - Actuarial (gains) losses	12.57	4.84
Benefits paid	(14.59)	(7.60)
Benefit obligations at the end	178.25	153.99
Change in plan assets		
Fair value of plan assets at the beginning	-	-
Interest income	-	-
Transfer of assets	-	-
Remeasurements - Return on plan assets excluding amounts included in interest	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets at the end	-	-

Amount for the year ended March 31, 2022 and March 31, 2021 recognized in the Statement of Profit and Loss under employee benefit expenses

Particulars	<i>Rs. In lakhs</i>	
	Year ended March 31, 2022	March 31, 2021
Service cost	16.37	2.66
Net interest on the defined benefit obligation	9.91	9.49
Actuarial (gain) losses		
(Gain) Loss due to changes in demographic assumptions	(0.00)	(0.00)
(Gain) Loss due to changes in financial assumptions	18.75	(1.82)
(Gain) loss from Plan experience	7.70	6.66
Commitment gain	-	-
Net leave entitlement cost	38.85	16.99

The weighted-average assumptions used to determine benefit obligations as at March 31, 2022 and March 31, 2021 are set out below:

Particulars	As at	
	March 31, 2022	March 31, 2021
Discount rate	7.25%	6.80%
Salary escalation rate	5.00%	4.00%

g. Defined Contribution Plans- Provident Fund & NPS

The Company makes Provident Fund which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the plan. The Company recognized during year ending March 31, 2022, Rs. 34.18 lakhs (Year ended 31 March, 2021 Rs. 10.99 lakhs) for Provident Fund contributions in the Statement of Profit and Loss under the head Employee Benefits Expense. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company made contribution to NPS at 10% of basic salary at the option of the employee. The company made contribution during the year ending March 31, 2022, for Rs. 26.47 lakhs (Year ended 31 March, 2021 Rs. Nil) for an optional National Pension Scheme (NPS).



Note 25 - Financial Instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory			
Assets:						
Cash and cash equivalents (Refer Note 10)	42,010.08	-	-	-	42,010.08	42,010.08
Bank Balance (other than Cash and cash equivalents) (Refer Note 11)	669.88	-	-	-	669.88	669.88
Trade receivables (Refer Note 9)	1,465.65	-	-	-	1,465.65	1,465.65
Other financial assets (Refer Note 5)	2,111.88	-	-	-	2,111.88	2,111.88
Total	46,257.49	-	-	-	46,257.49	46,257.49
Liabilities:						
Trade payables (Refer Note 15)	494.38	-	-	-	494.38	494.38
Lease liabilities (Refer Note 16.1)	1,031.50	-	-	-	1,031.50	1,031.50
Other financial liabilities (Refer Note 16)	1,915.63	-	-	-	1,915.63	1,915.63
Total	2,451.51	-	-	-	2,451.51	2,451.51

The carrying value and fair value of financial instruments by categories as at March 31, 2021 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory			
Assets:						
Cash and cash equivalents (Refer Note 10)	46,299.70	-	-	-	46,299.70	46,299.70
Bank Balances other than Cash and cash equivalents (Refer Note 11)	668.37	-	-	-	668.37	668.37
Trade receivables (Refer Note 9)	1,176.22	-	-	-	1,176.22	1,176.22
Other financial assets (Refer Note 5)	2,076.82	-	-	-	2,076.82	2,076.82
Total	50,221.11	-	-	-	50,221.11	50,221.11
Liabilities:						
Trade payables (Refer Note 15)	292.80	-	-	-	292.80	292.80
Lease liabilities (Refer Note 16.1)	1,133.21	-	-	-	1,133.21	1,133.21
Other financial liabilities (Refer Note 16)	1,124.53	-	-	-	1,124.53	1,124.53
Total	2,550.54	-	-	-	2,550.54	2,550.54



Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks - market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

The Company has a small amount of international exposure on account of availing services. The exchange rate between rupee and dollar has changed in recent years and may fluctuate in future. However, the impact of this on the Company may not be significant.

The following table analyses foreign currency risk from financial instruments as on March 31, 2022 and March 31, 2021

Particulars	AS at March 31, 2022			AS at March 31, 2021		
	U.S. dollars	Euro	Total	U.S. dollars	Euro	Total
Cash and cash equivalents	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Net assets / (liabilities)	-	-	-	-	-	-

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs Nil and Rs Nil as of March 31, 2022 and March 31, 2021, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

Based on the past experience, the Company has negligible level of bad debts, as the receivables are mainly from 4 CPSE Customers with whom the Company has a long-term relationship. In practice, expected credit losses are so immaterial that no calculations or loss reserves are required at all. The Company has however, provided for expected credit loss based on lifetime credit loss in respect of old doubtful disputed receivables.

Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.



Note 26 - Earning Per Share

Particulars	Year ended March	Year ended March
	31, 2022	31, 2021
	Rs. Per Share	Rs. Per Share
Basic Earnings per share		
From continuing operations	1.10	0.94
From discontinued operations	-	-
Total basic earnings per share	1.10	0.94
Diluted Earnings per share		
From continuing operations	1.10	0.94
From discontinued operations	-	-
Diluted earnings per share	1.10	0.94

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	Rs. in Lakhs	
	Year ended March	Year ended March
	31, 2022	31, 2021
Profit (Loss) for the year attributable to owners of the Company	6,026.96	5,179.97
Less: Preference dividend and tax thereon	-	-
Profit (Loss) for the year used in the calculation of basic earnings per share	6,026.96	5,179.97
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	-	-
Profits used in the calculation of basic earnings per share from continuing operations	6,026.96	5,179.97
Weighted average number of equity shares	54,87,07,264	54,87,07,264
Earnings per share from continuing operations - Basic (Rs.)	1.10	0.94

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible debts for the respective periods, if any.

Particulars	Rs. in Lakhs	
	Year ended March	Year ended March
	31, 2022	31, 2021
Profit (Loss) for the year used in the calculation of basic earnings per share	6,026.96	5,179.97
Add: Interest expense on long term convertible bonds (net) - adjusted for attributable taxes	-	-
Profit (Loss) for the year used in the calculation of diluted earnings per share	6,026.96	5,179.97
Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	-
Profits used in the calculation of diluted earnings per share from continuing operations	6,026.96	5,179.97
Weighted average number of equity shares	54,87,07,264	54,87,07,264
Earnings per share from continuing operations - Diluted (Rs.)	1.10	0.94

The Company does not have any instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future, hence the Weighted average number of equity shares used in the calculation of Diluted EPS is same as that of Basic EPS.

Note 27 - Related party disclosures

Nature of relationship	Names of the related parties
Key management personnel (KMP)	Shri. Anurag Sharma - Chairman (Appointment effective 11 Jun 2022)
	Shri. Sudeesh Kumar - Company (Resigned effective 1 Jun 2022)
	Shri. Venkatesh V. M. Managing Director (Appointment effective 1st June 2021)
	Shri. C. Ramakrishna - Managing Director (Resigned effective 31st Mar 2022)



Shri. R. Sankar - Director
 Shri. Rakesh Kant - Director
 Shri. Venkatesh Mallikarjun Rao - Director
 Shri. Praveen Jaiswal - Director
 Shri. U.S. Prasad - Director
 (resigned effective 1 April 2022)
 Shri. U. Sridhar Girid - Director
 (resigned effective 1 April 2022)
 Shri. Subodh Datta - Director
 (Appointment effective 1st April 2022)
 Shri. Anu Kumar - Director
 (Appointment effective 01 April 2022)
 Shri. Chandan Kumar Das - CFO (KMP)
 Shri. Sachin Jaiswal - Company Secretary (KMP)

Ultimate Holding Company

Oil and Natural Gas Corporation Limited

Parent Subsidiary

Mangalore Refinery & Petrochemicals Limited

Investing Party

Hindustan Petroleum Corporation Limited

Rs. in lakhs

Transactions between related parties

	Year ended	
	March 31, 2022	March 31, 2021
Income		
Hindustan Petroleum Corporation Limited		
Freight Charges	7,438.53	5,515.21
Sale of Project Surplus Pipes- Empty Tanks	35.94	39.21
Mangalore Refinery & Petrochemicals Ltd		
Freight Charges Received	411.93	36.36
Dispatch Charges Received	172.67	125.66
Rent for Lease of Pipeline Received	2.56	2.16
Power Charges-Received	75.47	25.17
Expense		
Hindustan Petroleum Corporation Limited		
Lease Expense - Paid	145.61	138.40
Depreciation Salary & Allowances- Paid	230.47	185.29
Purchase of Fuel oil	-	21.48
Mangalore Refinery & Petrochemicals Ltd		
Power Charges Paid	270.91	261.07
Reimbursement of Expense Paid - USR Expenditure	19.52	-
**Remuneration paid to KMP (On Deposition)		
M. Subramanian	-	11.12
C. Rameshwar	11.14	63.61
Mukundan V. M.	66.61	-
Remuneration paid to KMP (others)		
Chandan Kumar Das	28.52	24.88
Sachin Jaiswal	28.34	27.74

* All the above supply & services are including GST

** - Remuneration to Managing Director represents amounts defined by HPL, in his Executive on deputation to the company and the emolument released by PMHBL as per LFCI rules

Rs. in lakhs

Balances outstanding at the end of the year

	As at	
	March 31, 2022	March 31, 2021
Trade Receivable		
Hindustan Petroleum Corporation Limited	824.04	747.16
Mangalore Refinery & Petrochemicals Limited	265.65	166.09
Trade Payables		
Hindustan Petroleum Corporation Limited	86.41	164.31
Mangalore Refinery & Petrochemicals Limited	24.00	21.66
Other Financial Assets (Security Deposits)		
Hindustan Petroleum Corporation Limited	1.37	1.37



Note 28 - Leases

The Company's Lease asset classes primarily consist of leases for Land and Building. The Company assesses whether a Contract contains a lease, at inception, of a Contract. 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 commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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 a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated Depreciation and impairment loss.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term of the underlying asset.

There is Change in the terms of lease payments of head office building as the lessor agreed not to increase the rent payable for two-year i.e. from 1 May 2021 to 31 April 2022. Hence, the company re-measured the lease liability to reflect changes to the lease payments. The lease liability is reduced by Rs. 14.61 lakhs. The company recognized the amount of the remeasurement of the lease liability of Rs. 14.61 Lakh as an adjustment to the right-of-use asset.

Lease liabilities and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022

Particulars	Category of ROU			Rs. in lakhs
	Land	Building	Total	
Balance as at April 1, 2021	831.17	161.87	993.04	
Assets Reassigned on account of adoption of Ind AS 116	-	-	-	
Additions	-	-	-	
Decrease due to re-measurement of lease liabilities	-	14.61	14.61	
Depreciation	54.80	47.97	102.77	
Balance as at March 31, 2022	776.37	99.89	876.26	

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

Particulars	Category of ROU			Rs. in lakhs
	Land	Building	Total	
Balance as at April 1, 2020	914.97	225.62	1,140.59	
Assets Reassigned on account of adoption of Ind AS 116	-	-	-	
Additions	-	-	-	
Decrease due to re-measurement of lease liabilities	-	-	-	
Depreciation	83.79	52.75	136.54	
Balance as at March 31, 2021	831.17	161.87	993.04	

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

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

Particulars	Rs. in	
	March 31, 2022	March 31, 2021
Non-current lease liabilities	930.14	1,013.77
Current lease liabilities	101.56	89.44
	1,031.70	1,103.21



Petrinet MIB Limited
Notes to the financial statements for the year ended March 31, 2022

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021.

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Balance at the beginning	1,133.21	1,207.21
Additions	-	-
Decrease due to extinguishment of lease liabilities	(14.91)	-
Finance cost accrued during the period	109.75	108.65
Payment of lease liabilities	(188.45)	(182.65)
Balance at the year	1,039.60	1,133.21

The table below provides details regarding contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis.

Particulars	As at	
	March 31, 2022	March 31, 2021
not later than one year	194.20	161.14
later than one year and not later than five years	652.31	605.94
later than five years	693.09	849.22

The table below provides details regarding Amounts recognised in profit and loss.

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Depreciation expense on right-of-use assets	131.77	127.25
Interest expense on lease liabilities	104.75	108.65
Expense relating to short-term leases	11.61	7.11

The total cash outflow for leases for the year ended March 31, 2022 and March 31, 2021 amount to Rs. 188.45 Lakhs & Rs. 182.65 Lakhs.

Notes:

- The lease rentals in respect of the lands situated at Mangalore, Hosanur and Devangonda are being paid based on the Minutes of Meeting with HFC dated 17-07-2018. The lease agreements are yet to be formalized.
- The lease rentals in respect of land office premises does not includes Fixed maintenance and Power backup charges for the purpose of payment of lease rent as being non lease component.

Note 29 - Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

I. Claims against the company not acknowledged as debt with respect to:-

Particulars	Year ended	
	March 31, 2022	March 31, 2021
ii) PMHBL vs. Puri Lloyd Ltd (PLD) - Appeal Case lying with the High Court of Karnataka - Bangalore against the order of City Civil Court Bangalore and interim stay has been granted. The Company has deposited Rs. 1,100 lakhs as court deposit.	2,409.41	2,264.51
iii) PMHBL vs. Puri Lloyd Ltd (PLD) - Arbitration Cases - Ms. P.L. filed Arbitration case against PMHBL in quantum dispute by the contract.	2,566.22	2,566.22
iii) 127 Writ Petition cases filed by PMHBL at Hon'ble High Court of Karnataka - Bangalore against the order of Hon'ble District Judge of Bangalore Rural District for compensation enhancement cases filed by RCU land owners. The Company has deposited Rs. 26.00 lakhs as court deposit.	52.00	52.00
iv) 01 Writ Petition case filed by PMHBL at Hon'ble High Court of Karnataka - Bangalore against the order of Hon'ble District Judge of Chikmagalur District for damages outside the RCU. The Company has deposited Rs. 21.03 lakhs as court deposit.	21.03	21.03
	6,048.66	5,903.75



II. In the following cases of claims against the company, no reliable estimate could be made of the liability :

(i) U. With Petition case filed by land owners against PMHRL at Hon'ble High Court of Karnataka, Bangalore for enhancement of compensation against order of Hasan District Court

(ii) 64 cases filed by Land owners at Mangalore District Court for enhancement of Compensation.

(iii) 01 With Petition filed by the Land owner in the High Court of Karnataka, Bangalore against the order of Chikmagalur District Court for enhancement of Compensation

III. A Performance Bank Guarantee of Rs. 639 lakhs has been given by the company in favour of Petroleum & Natural Gas Regulatory Board towards 1% cost of the pipeline project as security deposit for meeting the supply of service obligation and requirement of PNGRB during operating phase. The Bank Guarantee is renewed from time to time and presently valid till 15th June 2023.

iv) Bank Guarantee of Rs. 17.65 lakhs has been given by the company in favour of M/s PTC India Limited towards 18 days of contracted energy bill as security deposit for purchase of power from Indian Energy Exchange on behalf of the Company valid till 23 March 2023.

IV. Appeal against Order of Income Tax

Income Tax Case - AY 2016-17 : Appeal filed with CIT. Appeal against Order of Assessing I. A. 143(3) for disallowing Depreciation on Right of Way being amount paid to Forest Department for regularization of Forest Land of Rs. 66 Lacs and raised demand of Rs. 30.40 lacs. Hearing yet to take place.

V. Capital Commitments

Particulars	Rs. In Lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances if any)	587.61	566.63

Note 30 - Impact of ongoing COVID 19 -& Russia Ukraine War - Management Views

In line with general trend across industry, COVID 19 has impacted the Company's through during the 1st Quarter of financial year 2021-22. However, owing strong core nature of business of the Company, which handles essential product like petrol, diesel etc., the impact has no major bearing on the profitability. The company achieved through of 97% as compared to pre COVID scenario and through is increased by 32% as compared to previous year.

There will be no impact due to ongoing Russia Ukraine war on the Company's Operations, profitability etc.

PCHDL is having sufficient Cash Reserve, zero debt, lean manpower, sufficient inventory, no exposure to exchange rate variations, no exposure to any Corporate Bonds under its investment portfolio and is well placed to overcome any short-term disruptions under second wave of COVID 19 pandemic. For the year 2022-23, the outlook of the Company remains positive and the performance is expected to reach near pre covid level, if no major disruption happens. The Management is continuously monitoring the unfolding scenarios as a core business of the Company.

Note 31 - Disclosures required for Micro, Small and Medium Enterprises

Particulars	Rs. In Lakhs	
	Year ended	
	March 31, 2022	March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	47.62	106.64
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer as per section 16 of the Micro, Small and Medium Enterprises 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 and payable for the period of delay in making payment (which have been paid to) beyond the appointed day during the year that with or without the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest (including due and 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 deduction expenditure under section 25 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Due to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.



Note 32 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting health care and sanitation, promoting education, employment, reducing vocational skills and livelihood enhancement project, promoting Women empowerment, promoting environmental sustainability & conservation of Natural Resources and Promoting Rural Development.

A CSR committee has been formed by the company as per the Act. The funds were utilized through the year on the activities which are specified in Schedule VII of the Companies Act, 2013. In view of Covid 19, greater emphasis was given during the year on educating budget, health care and sanitation.

Breakup of amount spent during the year on CSR Activities

Particulars	Year ended	
	March 31, 2022	March 31, 2021
1. Amount required to be spent by the company during the year,	232.16	269.71
2. Amount of expenditure incurred	341.60	271.46
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	NA	NA
6. Nature of CSR activities		
Promoting Health Care & Sanitation	723.84	191.66
Promoting Education, Employment enhancing Vocational Skills and Livelihood enhancement Projects	6.26	66.56
Administration Exp	11.50	12.92
	241.60	271.14

Note 33 - Operating Segments

The Company has only one single reportable segment i.e. (contribution of Petroleum Products of Oil Marketing Companies (OMCs))

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Revenue from External Customers		
Within India	16,189.26	7,316.75
Outside India	-	-
Non Current Assets		
Within India	15,880.08	16,679.97
Outside India	-	-

Information about Major & Central Customers

Major External Customer No. 1	6,641.54	4,924.74
Major External Customer No. 2	1,271.12	1,826.41
Major External Customer No. 3	898.78	732.17

Note 34-Interim Dividend

The Company has declared and paid 1st Interim Dividend to Shareholder during the year ending March 31, 2022 @ Rs 1/- per equity share totalling Rs. 5487.02 Lakhs out of surplus in Profit and Loss account as on 31.03.2021 and also paid 2nd Interim Dividend to Shareholder during the year ending March 31, 2022 @ Rs 3.00/- per equity share totalling Rs. 3292.24 Lakhs out of current year Profit.

The Company has declared and paid interim dividend to Shareholder during the year ending March 31, 2021 @ Rs 6/- per share totalling Rs. 32,922.44 Lakhs out of surplus in Profit and Loss account as on 31.03.2020.

Companies is required to pay / distribute dividend after deducting applicable withholding income taxes.



Note 35-Ratios

Ratio	Numerator	Denominator	Current year	Previous Year
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	30.59	14.03
Return on Equity	Net Profit after Tax - Preference dividend (if any)	Average Shareholders Equity	10.16%	6.95%
Trade receivable turnover Ratio (in times)	Revenue from operation	Average trade receivable	7.80	5.45
Trade Payable turnover Ratio (in times)	Other expenses	Average Trade payable	7.46	9.70
Net Capital turnover Ratio (in times)	Revenue from operation	Average Working Capital (i.e. total current assets less total current liabilities)	0.23	0.13
Net profit ratio in %	Net profit after Tax	Revenue from operation	38.59%	46.67%
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities - deferred tax liabilities	17.63%	11.31%

Note 36

Previous year's figures have been regrouped where necessary to conform to those of the current year's classification.

The accompanying notes 1 to 36 form an integral part of the financial statements.

As per our report of even date attached to YCH & Associates Chartered Accountants Firm Registration Number: 0059275

V. Purina
 Purina Y
 Partner
 Membership Number: 213014



For and in behalf of the Board of Directors of Petronet MHB Limited

Mukundan M.S.
 Mukundan M.S.
 Managing Director
 DIN: 00147238

Chumilan Kumar Das
 Chumilan Kumar Das
 Chief Financial Officer

Place: Bangalore
 Date: 21-04-2022

Hakshi Kaul
 Hakshi Kaul
 Director
 DIN: 07994301

Sachin Jayaswal
 Sachin Jayaswal
 Company Secretary

Place: Bangalore
 Date: 21/04/22

UDIN: 22212804HPT54848