

53rd वार्षिक प्रतिवेदन Annual Report 2022-2023



भारत पम्पूंस एण्ड कम्प्रेसर्स लिमिटेड

(भारत सरकार का उपक्रम)

Bharat Pumps & Compressors Ltd.

(A Government of India Enterprise)

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BOARD OF DIRECTORS

1. SHRI K.S. MURTHY - CHAIRMAN & MANAGING DIRECTOR (FROM 19.05.2021)
 2. SHRI A.K. DIWAN - DIRECTOR (FROM 18.05.2023)
 3. SHRI R.K. SINGH - DIRECTOR (UPTO 18.05.2023)
 4. SHRI S.K. SAXENA - DIRECTOR (FROM 14.07.2021)
 5. SHRI AMIT KERKETTA - DIRECTOR (FROM 09.08.2021)
 6. SHRI I. SAI RAM - DIRECTOR (FROM 01.09.2022)
-

SHRI INDRASEN SINGH - CFO AND COMPANY SECRETARY

AUDITORS

M/S S.R. GUPTA & COMPANY,
CHARTERED ACCOUNTANTS,
54D, STRACHEY ROAD,
CIVIL LINES,
ALLAHABAD - 211001

BANKERS

STATE BANK OF INDIA

REGISTERED OFFICE

NAINI, ALLAHABAD
UTTAR PRADESH - 211010

BOARD OF DIRECTORS



SHRI K.S. MURTHY
Chairman & Managing Director
(From 19.05.2021)



SHRI A.K. DIWAN
Director
(From 18.05.2023)



SHRI R.K. SINGH
Director
(Till 18.05.2023)



SHRI S.K. SAXENA
Director
(From 14.07.2021)



SHRI AMIT KERKETTA
Director
(From 09.08.2021)



SHRI I. Sai Ram
Director
(From 01.09.2022)



SHRI INDRASEN SINGH
Company Secretary

DIRECTORS' REPORT

To,
The Shareholders,
Gentlemen,

Your Directors present the 53rd Annual Report of the business and operation of the company together with the audited accounts, Auditors Report and comments of Comptroller & Auditor General of India thereon for the year ended 31st March 2023.

1. PERFORMANCE HIGHLIGHTS:

During the year 2020-21 Ministry of Heavy Industries, Govt. of India has communicated decision of Union Cabinet vide letter Dated 17.12.2020 to shutting down the operation and closure of the company and freezing of some liabilities. Accordingly company is not operating concern and some of the liabilities such as interest on Govt loan has been freezed/some additional liability has been created such as VRS/VSS liabilities, additional liability of 1997 wage revision arrear etc. During previous year all employees of the Company have been relived/ separated through VRS/ VSS upto 12.06.2021. As such all operations has been stopped. Further during the year company has sold all movable assets and intangible assets (technology/IPR) through e-auction organized by MSTC. Land has also been handed over to UP Govt free of cost and residential flats situated at Prayagraj has been transferred to NLMC(National Land Monitization Corporation) on book value in line with Govt decision. Trade receivables which are not collectable and amount pertaining to deduction by customers in line with contractual terms has also been written-off. As such performance and other financial parameters during the year are not showing factual position at par with running organization. Though there was no operating turnover and revenue but due to earning of sale of

movable assets loss (after tax) for the year was Rs 13.43 crores as against loss (after tax) of Rs. Rs 53.69 crores during the previous year.

Company has received fund amounting Rs 260.77 crores (92.55 crores During the year 2020-21 and Rs 168.22 crores during 2021-22) as non-refundable grant from GOI for liquidation of various liabilities which has positive impact on net worth of the Company. Net worth at the end of the year 2022-23 was Rs. (-)103.99 crores as against Rs. (-)92.58 crores during the previous year 2021-22. The salient features of performance during the year 2022-23 are summarized below:

(₹ in crore)

Sl. No.	Particulars	2022-23	2021-22
1.	Net Turnover	0.00	9.69
2.	Other Income	44.44	37.69
3.	Total Revenue(1+2)	44.44	47.38
4.	Net Profit/(Loss) after tax(PAT)	(13.43)	(53.69)
5.	Net Worth	(103.99)	(92.58)

2. DIVIDEND:

Since the company is already under process of liquidation/closure in line with decision of Cabinet of GOI dated 9.12.2020, recommendation of dividend by your Directors has not been done.

3. SHARE CAPITAL:

The issued, subscribed and paid up share capital of the Company as on 31st March 2023 was Rs.53.53 Crores against authorized capital of Rs.65.00 Crores.

4. ORDER BOOK STATUS:

The order book position at the end of the year was Rs. 0.00 crores as the company has stopped accepting orders and also cancelled the existing orders in the light of compliance of decision of Union Cabinet, Govt. of India, communicated by Ministry of Heavy Industries vide letter Dated 17.12.2020 relating to shutting down the operation and closure of company.

5. FUTURE OUTLOOK:

In the light of compliance of decision of Union Cabinet, Govt. of India, communicated by Ministry of Heavy Industry vide letter dated 17.12.2020 relating to shutting down the operation and closure, company has stopped accepting further orders and various closure activities are under process and finally company will be wind-up after settling dues of all stakeholder and sale /transfer of all assets.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information in accordance with the provisions of Section 134 of the Companies Act 2013 and related rules (to the extent applicable) regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given below :

6.1 CONSERVATION OF ENERGY:

We were continuously in process to save electricity and reduced the consumption of fuel (HSD) for generators by proper utilization and maintenance of generator sets till the company was in operation. We were also in process to replace the conventional lights (fluorescent, incandescence, mercury etc.) by energy efficient LED light fittings (used to illuminate offices and shop) for reducing the electricity consumption by 1/4th in light loads. We had also continuously maintained the power factor above 0.90 (lagging) to minimize the power losses. Our machines were also being maintained in such a way to run with minimum power losses. However, due to shutting down the operation of company and selling of all movable assets power of the plant has been got disconnected in the month of Feb 2023.

6.2 TECHNOLOGY ABSORPTION:

The company had absorbed technology from following world's renowned manufactures through technology transfer collaboration:

S.No.	Product	Collaborator
1.	Centrifugal Pumps	Pompes Guinard, France
2.	Reciprocating Pumps	Oil Well, USA
3.	Reciprocating Compressors	NuovoPignone, Italy
4.	Ammonia & Carbamate Pumps	URACA, Germany
5.	Cementing Units	B. J. Hughes, USA
6.	Sucker rod pump	Rom Consultant, Romania
7.	High pressure Industrial Gas Cylinder	Showa Koatsu, Japan

Its collaborators had vast experience in the field of rotating equipment and Company has completely absorbed technology for execution of orders for its complete range of products and its engineering division has been regularly upgrading the technology and design to meet upgraded, International code requirement.

In all cases, the collaboration period has expired, but Company had already absorbed complete technology and is meeting most of the customer's requirements with available technology. During the year, any new technological collaboration has not been done.

However, due to shutting down the operation of company, valuation of technology was done through external agency and process of e-auction of the same has been completed through MSTC. Accordingly, due to competitive bidding the technology has been sold at a price of Rs 28.00 crores +GST to M/s KSB Ltd.

6.3 TECHNOLOGY UP-GRADATION/ ACQUISITION & PRODUCT DESIGN AND DEVELOPMENT:

Company was committed for continual up gradation and design improvement of its products to face stiff competition in the market and also for meeting objective of client satisfaction. However due to ongoing process of closure of the Company, such activities for technology improvement/acquisition had not been done since 2021-22.

6.4 FOREIGN EXCHANGE EARNING AND OUTGO:

Details of outgo and earning in foreign currency is as under-

(₹ in lakh)

Sl.No.	Particulars	2022-23	2021-22
A.	Value of imports calculated on CIF basis		
	i. Raw Materials	0.00	0.00
	ii. Store & Spares	0.00	0.00
	iii. Capital Goods	0.00	0.00
B.	Expenditure in Foreign Currency on		
	i. Analog Study	0.00	0.00
	ii. Tours and Travels	0.00	0.00
	iii. Contracts	0.00	0.00
	Earnings in Foreign Exchange		
	i. Consultancy	0.00	0.00
	ii. Interest	0.00	0.00
	Value of Raw Materials & Components, spare parts and store consumed		
	i. Imported	0.00	6.60
	ii. Indigenous	0.00	132.82

7. CAPITAL EXPENDITURE:

In the light of compliance of decision of Union Cabinet, Govt. of India, communicated by Ministry of Heavy Industries vide letter Dated 17.12.2020 relating to shutting down the operation and closure of company any capital projects has not been taken up since 2021-22.

8. QUALITY IMPROVEMENT:

With the Total Quality Management tools company was stepping ahead in its journey of quality with strong backup of quality assurance for the commitment to provide quality products. The company has been accredited for the latest Quality Management system (ISO 9001:2015), Environment Management System (ISO 14001:2015) and Occupation Health and Safety Assessment Series (OHSAS 18001:2007). The customer requirement of quality has been fulfilled by improvement in the field of casting, forging and finished product.

However in the light of compliance of decision of Govt. of India relating to shutting down the operation and closure of company all employees have been relieved up-to 12.06.2021. As such further development in the field of quality development automatically stopped since 2021-22.

9. CONTRIBUTION TO EXCHEQUER:

Your Company has paid to the public exchequer towards GST collected from sales of assets and also old dues of income Tax Rs. 3192 lakh during the Year 2022-23.

10. HUMAN RESOURCE DEVELOPMENT:

10.1 The Company was concerned with the development and implementation of people strategies which are integrated with corporate strategies and ensure that the culture, value, skills, motivation and the human resource

Development activities aimed at improving employees' productivity, attitude, skill and knowledge.

However in the light of compliance of decision of Govt. of India relating to closure of company all employees have been relieved up-to 12.06.2021. As such, further development in the field of Human resources has been stopped automatically.

10.2 During the year 2021-22 (up to 12.06.2021 i.e. date of reliving of all employees) cordial industrial relations were maintained in the organization.

10.3 MAN POWER: Total Employees strength of the Company was nil as on 31.03.2022 against 140 as on 31.03.2021. Further for completion of various closure activities 4 nos relieved employees through VRS/VSS are still continuing as consultant/contractual staff against 12 nos. such consultant as on 31.03.2022.

11. TRAINING: all employees have been relieved up-to 12.06.2021. As such, further development in this area has been stopped automatically since 2021-22.

12. SCHEDULED CASTE/SCHEDULED TRIBE /OBC/DISABLED PERSONS:

Government directives relating to Scheduled Caste/Scheduled Tribe/OBC and Disabled persons was being complied with till closure of the company/separation of all employees.

13. OFFICIAL LANGUAGE:

During the year-up to 12.06.2021 (Date of relieving/separation of all employees due to closure of the company), efforts were continued for enhancing use of Hindi by effectively and vigorously implementing the provisions of Official Language Implementation Act and various directives received from the Govt. of India from time to time. All important circulars and advertisements were released in Hindi also.

14. RIGHT TO INFORMATION (RTI):

BPCL has implemented the provisions of Right to Information Act 2005 and an appropriate mechanism has been set up. During the year, all applications were processed and suitable replies were given.

15. PARTICULARS OF EMPLOYEES:

During the year under review, there were no such employees whose particulars are required to be given under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel).

16. FIXED DEPOSIT:

The company has not invited deposits from Public under Section 2(31), 73 and 74 of the Companies Act, 2013.

17. POLLUTION AND ENVIRONMENT:

The statutory requirement for discharge of air under section 21 of air (prevention control of pollution) Act 1981 was fully complied by closing all oil furnaces and prevention of oil leakage. By which all the statutory requirements for discharge of air & water were maintained within the permissible limit of the Board and deposited all necessary water cess charges to UPPCB.

However due to shutting down the operation of the company/relieving of all employees up to 12.06.2021 any further efforts in this regard have been stopped.

Earlier our company was taking various initiatives towards preservation of all elements of environment by adopting required pollution control systems, strict environment monitoring and judicious use of natural resources (coal, gas, water and land). To preserve nature and our commitment towards conservation of environment, several tree-plantation drives were organized in the company time to time.

18. VIGILANCE:

Vigilance Department of the company was committed to improve the vigilance administration in the company by creating better awareness about CVC Guidelines, by introducing transparent and simplified procedures. Routine and surprise inspections have been made effective to control and deter the corrupt practices. Strict vigil was exercised over various activities as part of preventive Vigilance measures. Necessary recommendations were made to management for improving the systems on the basis of investigations. Improvement in purchase policy of the company and transparency in tendering/procurement activities have been the focus point by the vigilance department in the previous year.

During the year 2022-23, no regular Vigilance activities were conducted as the company is already closed except general reporting to CVC/Government.

19. SECURITY:

The security of the Company was being managed by CISF till Nov 2022 and thereafter security was handed over to private agency. However after removal of all movable assets land and permanent structure of plant has been handed over to UP Govt on 28.02.2023 and accordingly security services have been withdrawn by the company. As such responsibility of security and safety is now

lying with UP Govt. During the year no case of theft/ loss/damage was reported.

20. STATUS OF CLOSURE ACTIVITY OF THE COMPANY- PRESENT SCENERIO:

Union Cabinet Committee in its meeting held on 09.12.2020 approved the Shutting down the operation of the plant and closure of the company of the company. MHI vide letter Dated 17.12.2020 has informed said decision of GOI .In this regard, following closure activities have been completed/under process-

- a. Operations of the Company have been shut down.
- b. All employees of the Company have been separated through VRS/ VSS upto 12, June-2021. Further for completion of closure activities some officials are re-deployed as consultant/ contractual staff and some of them has been given financial power.
- c. Company has received fund as grant of Rs 92.55 crores in the last week of Mar-2021 and Rs 168.22 crores in the last week of Jun-2021 totalling to Rs 260.77 crores out of sanctioned amount of Rs 316.09 crores.
- d. Payment of most of the dues of employees has been completed except payment of few employees relating to arrears of 1997 wage revision which is pending due to nominee dispute /succession certificate etc. In addition to this, in compliance of MHI directive relating to withdrawal of 2007 pay revision certain amount has been recovered from all executives' employees since the date of implementation of wage revision (Jan-2012 onwards). This amount may be due for payment in future in case MHI will give suitable direction for which company has already made a request for reconsidering the recovery decision.

- e. Dues of vendors and other stake holders has already been paid and some adjustment activity of disputed/unclaimed activity has also been done and balances nullified through book adjustment.
- f. E- auction through MSTC Ltd of all movable assets situated at Naini/ Allahabad has been completed and physical removal of the same has also been completed during the year 2022-23.
- g. During the year, after sale and lifting of all movable assets, Company has handed over the land and permanent structure to U.P. Govt on 28.02.2023 vide memorandum of handing over-taking over of land and permanent structure of Bharat Pumps & Compressors Limited Ref. No. 959/SIDA/Sr.M. (C)/CD-9/Prayagraj dated 28.02.2023.

Company is making all out efforts to complete the all closure activities in time bound manner so that last activities (winding up/ removal of the name from registrar of Company) may be done at the earliest.

21. CORPORATE SOCIAL RESPONSIBILITY:

In the light of compliance of decision of Union Cabinet, Govt. of India, communicated by Ministry of Heavy Industries vide letter Dated 17.12.2020 relating to shutting down the operation and closure of company any CSR activity has not been taken up since 2020-21.

22.1 AUDITORS:

M/s. S. R. Gupta & Company, Chartered Accountants, Allahabad, has been appointed by the Comptroller & Auditor General of India, as Statutory Auditors for auditing the accounts of the Company for the year 2022-23, holds the office until the conclusion of the ensuing Annual General Meeting.

22.2 AUDITOR'S REPORT:

The statutory Auditors in their report on the account of the company for the year 2022-23 have

made certain observations. The reply of your Directors on the observations are furnished below:

Observations of the Auditors	Replies of the Management
(Para No. of the Report)	
(a)	Company has already disclosed facts relating to non provision of Interest on Govt. loan by way of Note No. 29 (iv) since 2020-21. This is being done in the Light of compliance of decision of Union Cabinet GOI dated – 17.12.2020 where in it is clearly mentioned that Interest on Govt loan up to 31-03-2020 to be frozen.
(b)	Facts relating to interest liability claimed by CISF has already been disclosed by way of Note No. 29 (viii).
(c)	Quantifications of pending cases has already been done, so far as possible.

23. COMMENTS OF THE C & AG:

The Comptroller & Auditor General of India has decided to conduct the supplementary audit of the financial statements of Bharat Pumps & Compressors Limited for the year ended 31st March 2022 u/s 143(6)(a) of the Companies Act 2013. On the basis of supplementary audit, C&AG has not offered any additional points mentioning “Nothing significant has come to my knowledge which could give rise to any comment upon or supplement to statutory auditor’s report u/s 143(6)(b) of the Act”. Comment of the Comptroller & Auditor General of India on the Accounts of the Company for the year 2022-23 is attached.

24. RISK MANAGEMENT:

Company was always following principles of risk management during planning. There was an adequate internal financial control in place and such controls were reviewed time to time.

25. EXTRACT OF ANNUAL RETURN:

As required under the provisions of Section 92(3) of the Companies Act 2013, the extract of annual return of the year 2022-23 is enclosed.

26. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP):

The details of directors is as under:

Shri K S Murthy, GM/ED, BHEL has taken over additional charge of CMD, w.e.f. 19.05.2021 vice Shri Sunil Parwani ED, BHEL.

Shri Arun Kumar Diwan, Joint Director MHI (Ministry of Heavy Industries), Govt. of India, has taken over the charge as Govt. nominee Director on the Board of BPCL w.e.f. 18.05.2023 until further orders vice Shri Rama kant Singh Director MHI.

Shri Sunil Kumar Saxena, Executive Director EIL has been appointed as nominee Director on 14.07.2021 vice Shri R K Trivedi.

Shri Amit Kerketta GM, BHEL has been appointed as nominee Director w.e.f 09.08.2021 vice Shri G. Uday Kumar.

Shri Sai Ram Irukuvajjula ED (CTS), ONGC has been appointed as nominee Director w.e.f 01.09.2022.

Any non-official part-time directors are not appointed on the Board of BPCL since 26.03.2016.

27. REPORT ON CORPORATE GOVERNANCE:

27.1 BPCL was committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders. BPCL is maintaining full transparency and ethical behavior to all stake holders as required by all applicable laws, rules & regulation.

27.2 Board of Directors- For composition of Board of Directors in the line with DPE Guidelines, the Company had requested MHI for appointment of three part-time non-official directors on its Board. Accordingly two Non-official part-time Director had been appointed w.e.f. 26.03.2013 whose tenure has already been completed on 26.3.2016 and thereafter,

appointment of non-official part-time directors has not been done.

27.3 The Company has laid down formal code of business conduct and ethics applicable to all Board Members and Senior Management Team.

27.4 Dates of Board meeting held during the year 2022-23 are as under:-

B.M. No.	Date of Meeting
253	30.06.2022
254	11.07.2022
255	22.09.2022
256	30.09.2022
257	22.12.2022
258	29.03.2023

Attendance of Directors is attached

27.5 Audit Committee & Remuneration Committee-

On appointment of two Non-official part-time Director on 26.03.2013, Audit Committee and Remuneration Committee were reconstituted on 17.05.2013 with composition of three members .Non-official part-time Director had been nominated chairman of the Audit and remuneration committee. The terms of reference of audit committee and remuneration committee was also approved by the Board of Directors. However after completion of tenure of appointment of non officials part time Directors on 25.03.2016 only Audit committee was reconstituted with available directors. However at present no audit and remuneration committee are in existence as the same was not constituted.

27.6 Annual General Meetings of the Shareholders for last three years were held at registered office as per following details :

AGM No.	Date of Meeting
50 th	28.12.2020
51 st	23.11.2021
52 nd	31.12.2022 20.01.2023

27.7 Disclosures- Company has made required disclosures in the annual accounts including remuneration to key Management Personnel and details of related party transaction as per Accounting standard mentioned in the Companies Act 2013.

27.8 Means of communication- The Company communicates with its shareholders through its Annual Report, General Meeting and disclosures through web site. All significant information and events can be accessed at Company's website www.bharatpumps.co.in.

28. DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance to Section 134 (3) (c) of Companies Act, 2013, the Directors confirmed as under in respect of Annual Accounts for the year 2022-23:

- That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2022-23 and of the profit or loss of the Company for that period.
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors had prepared the Annual Accounts for the financial year ended 31st March, 2023 on a going

concern basis except certain disclosed deviation for complying directive of GOI relating to closure of the Company.

- e) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

29. ACKNOWLEDGEMENT:

The Board places on record its sincere thanks to the valued customers for the support and confidence reposed by them in the organization till continuance of operation of the Company.

The Board of Directors wish to place on record their gratitude and appreciation of the continued support, guidance and cooperation received from the Govt. of India, particularly Ministry of Heavy Industries and from the State Government.

Your Directors also convey their deep sense of appreciation for the co-operation and support received from BHEL, EIL and ONGC.

The Directors also place on record their appreciation for the co-operation extended by the Principal Director of Commercial Audit & Ex-officio Member Audit Board, the Statutory Auditors and Bankers.

The Directors also take this opportunity to express their appreciation for the efforts and contributions made by all the contractual/ consultant staff at all levels for ensuring smooth conduct of closure activity of the company.

For and on behalf of the Board of Directors of
Bharat Pumps & Compressors Ltd.


(K.S. Murthy)

Chairman & Managing Director

Date : 25.07.2023

Place: New Delhi

EXTRACT OF ANNUAL RETURN

 As on Financial Year ended 31st March 2023

[Pursuant to Section 92(3) of the Companies Act 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014] Form No. MGT-9

I. Registration and other details :

CIN	U28991UP1970GOI003577
Registration Date	01/01/1970
Name of the Company	Bharat Pumps & Compressors Ltd.
Address of Registered Office and contract details	Mirzapur Road, Naini, Allahabad-211010 Fax: 0532-2687075, Website: www.bharatpumps.co.in
Whether listed company	NO
Name, address and contact details of Registrar and Transfer Agent, if any	Not applicable

II. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turn over of the company shall be stated :

Sr.No.	Name and description of main products/ services	NIC code of products/ services	% to total turnover of the company
1	Pumps	8413	78
2	Compressors	8414	22
3	Cylinders for compressed Gases	7311	0

III. Particulars of Holding, Subsidiary and Associate Companies:

Not Applicable

IV. Share Holding Pattern (Equity Share Capital as percentage of total Equity):

Presently, all shares of total paid up capital is held in the name of President of India through Nominee of Department of Heavy Industry of Ministry of Heavy Industries and Public Enterprises except one share which is held in the name of CMD, BPCL.

Category of shareholders	Number of shares held at the beginning of the year 01.04.2022				No. of shares held at the end of the year 31.03.2023				% change during the year
	Demat	Physical	Total	% of total share	Demat	Physical	Total	% of total share	
A. Indian									
1. GOI	-	5,35,299	5,35,299	99.99	-	5,35,299	5,35,299	99.99	-
2. CMD BPCL	-	1	1	00.01	-	1	1	00.01	-
3. Total	-	5,35,300	5,35,300	100	-	5,35,300	5,35,300	100	-

V. Indebtedness:

Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

	Secured loans excluding deposits (Rs. in lakh)	Unsecured loans (Rs. in lakh)	Deposits (Rs. in lakh)	Total indebtedness (Rs. in lakh)
Indebtedness at the beginning of the financial year				
i) Principal amount	0.00	11159.00	0.00	11159.00
ii) Interest due but not paid	0.00	5270.42	0.00	5270.42
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total	0.00	16429.42	0.00	16429.42
Change in indebtedness during the financial year				
- Addition	0.00	0.00	0.00	0.00
- Reduction	0.00	0.00	0.00	0.00
Net change	0.00	0.00	0.00	0.00
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	11159.00	0.00	11159.00
ii) Interest due but not paid	0.00	5270.42	0.00	5270.42
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii):	0.00	16429.42	0.00	16429.42

ENCLOSURE

ATTENDANCE OF THE DIRECTORS DURING THE YEAR 2022-23

Sl.	Name & Designation of Director	Total nos. of Board Meetings held during tenure	Total no. of Board Meetings attended
1.	Shri K.S. Murthy Chairman & Managing Director	06	06
3.	Shri Rama Kant Singh Director	06	06
2.	Shri S.K. Saxena, Director	06	05
4.	Shri Amit Kerketta Director	06	05
5.	Shri Sai Ram Irukuvajjula	03	03

कार्यालय प्रधान निदेशक लेखापरीक्षा,
उद्योग एवं कार्पोरेट कार्य
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,
नई दिल्ली-110 002



OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
INDUSTRY AND CORPORATE AFFAIRS
A.G.C.R. BUILDING, I.P. ESTATE,
NEW DELHI-110 002

संख्या: एएमजी-111/2(26)/वार्षिक लेखापरीक्षा
/बीपीसीएल(2022-23)/2023-24/166
दिनांक: 27 JULY 2023

सेवा में

अध्यक्ष एवं प्रबन्ध निदेशक,
भारत पंप्स एवं कंप्रेसर्स लिमिटेड,
फ्लैट संख्या आर 21, 22, चतुर्थ तल,
परिवर्तन अपार्टमेंट, थोर्नहिल रोड,
ऑपोज़िट सेंट एंथनी गर्ल्स इंटर कॉलेज

विषय:

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए
भारत पंप्स एवं कंप्रेसर्स लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की
टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए
भारत पंप्स एवं कंप्रेसर्स लिमिटेड (Bharat Pumps & Compressors Limited) के वार्षिक लेखों पर
उपरोक्त विषय संबंधित संलग्न पत्र अद्येषित है।

भवदीया,
एस. अ. पंडा
(एस. आह्लादिनी पंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कार्पोरेट कार्य)
नई दिल्ली

संलग्नक:- ययोपरि

दूरभाष / Phone : +91-11-23702357, फैक्स / Fax : +91-11-23702359, E-mail : pdaica@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT PUMPS & COMPRESSORS LIMITED FOR THE YEAR ENDED 31st MARCH 2023.

The preparation of financial statement of Bharat Pumps & Compressors Limited for the year ended 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statement under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 31 May 2023.

I, on behalf of the Comptroller and Auditor General of India have conducted the supplementary audit of the financial statements of Bharat Pumps & Compressors Limited for the year ended 31 March, 2023 under section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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

(S. Ahladini Panda)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi.

Place : New Delhi
Date : 24.07.2023

INDEPENDENT AUDITOR'S REPORT

To
The Members of Bharat Pumps & Compressors Limited

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Bharat Pump & Compressors Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, statement of Profit and Loss and statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (collectively hereinafter referred to as the standalone financial statements).

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in the basis for qualified opinion section of our report (cumulative effect of our qualified opinion is understatement of loss (PAT) by Rs.34.25 crores), 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

(a) Non provision of interest on Govt. Loan amounting to Rs. 2011.35 lakh :

We draw attention to note no. 29(iv) wherein it is stated by the company's management that financial statement is prepared with some deviation in applying going concern concept because Ministry of Heavy Industry, Govt. of India has communicated decision of Union Cabinet vide letter Dated 17.12.2020 to shutting down the operation and closure of the company. Accordingly, the company has not provided interest liability on Govt. Loan amounting to Rs. 2011.35 lakh. As such, this is violation of accounting principle/ Accrual Concept.

(b) Non provision of interest claimed by CISF amounting to Rs. 1413.33 lakh:

Attention is drawn to Note No. 29 (xvii)(a)(2) relating to contingent liabilities with regard to interest liability claimed by CISF for Rs.1413.33 lakh for which no provision has been made in respect of such undisputed liability.

(e) Non-Quantification of pending court cases under Contingent Liabilities:

Attention is drawn to Note No. 29(xvii) (a) (1) relating to contingent liabilities with regard to civil suits for 14 cases amounting to Rs.60.53 lakh, out of 21 cases. No quantification is done for remaining 7 cases.

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 made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Other Matter – Opinion related to Going Concern

We draw attention to Note No. 29(i), (ii) &(jii) wherein it is stated by the company's management that Stand alone financial statement is prepared with some deviation in applying going concern concept because Ministry of Heavy Industries, Govt. of India has communicated decision of Union Cabinet vide letter Dated 17.12.2020 to shutting down the operation and closure of the company and freezing of some liabilities. As per discussion with the management, operation of company is already shut down, all movable assets have been sold out, land & permanent structure has also been handed over to U.P. Govt. and balance closure activities are under process. Accordingly, the company will be wind up formally in time bound manner. In our opinion, the company is no more going concern and our report is suitably modified.

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 of the information included in the Board's Report including Annexure to Board's Report, Business

Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for 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 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" read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of "the Act" for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable, and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is 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 judgment 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify

•our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 Annexure-A" a statement on the matter specified in paragraph 3 & 4 of the Order, to the extent applicable.
- 2) Directions issued by CAG under Section 143(5) of the Companies Act, 2013 has been compiled and set out in the Annexure "B".
- 3) As required by Section 143(3) of the Act, we report, subject to our comments / observations stated above, 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 and the statement of Cash Flow dealt with by this report are in agreement with the books of account.
- (d) In our opinion, except for the effects of the matters described in the "Basis for qualified opinion" paragraph & "other matter" paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of "the Act", read with relevant rules made thereunder.
- (e) As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the 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, as per section 143(3)(i) of the Companies Act 2013, we give our separate report in Annexure "C" to this report.
- (g) With respect to the other matters to be included in the Auditors' 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. As informed to us, the company has pending litigations as at 31st March 2023 as referred to in Note No. 29(xvii) (a) "Contingent Liabilities" which may have material impact on its financial position in its standalone financial statements.
 - ii. Company did not have any foreseeable losses on long term contract including derivatives.
 - iii. There were no amounts which were required to be transferred by the company to the Investors, Education and Protection Fund.

For S R Gupta & Company
Chartered Accountants
FRN : 001939C


(V.K. Gupta)
Partner

Place: Prayagraj
Date: 31st May, 2023

M.No.: 014745
UDIN : 23014745BGWOOT1087

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BHARAT PUMPS & COMPRESSORS LTD.**

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of BHARAT PUMPS & COMPRESSORS LTD. on the standalone Financial Statements of the Company for the year ended March 31, 2023 :

In terms of the information and explanations sought by us and given by the management and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets. During the year all such assets except flats situated at Mumbai has been sold out through e-auction.
- B. The Company has maintained proper records showing full particulars of Intangible Assets. During the year, all such assets have been sold out through e-auction.
- (b) According to the information and explanations given to us, the fixed assets were physically verified by the management as well as by the Independent Chartered Accountant Firm before e-auction.
- (c) The Company had immovable properties in the shape of land and buildings. During the year the all 295.45 acres land along with building and permanent structure situated at Naini have been handed over to U.P. Govt. free of cost in line with GOI decision dated-17.12.2020. Accordingly, balances of all immovable assets except residential flats situated at Mumbai became nil as on 31.03.2023.
- (d) During the year, Plant and equipment and other movable assets has been revalued by a registered valuer as defined under rule 2 of the Companies (Registered valuer and valuation) rules, 2017. Subsequently, all movable assets have been sold out through e-auction on e-portal of MSTC as the company is already in the process of closure and balance of all movable assets became nil as on 31.03.2023 after accounting the total sale value.
- (e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- (ii) (a) According to the information and explanations given to us, earlier physical verification of inventory was conducted by internal wing of the company on test check basis. However, during the year all inventories have been sold out through e-auction after verification by the Independent Chartered Account Firm. Accordingly, balance of inventory was nil as on 31.03.2023.
- (b) Company not been sanctioned working capital limit in excess of 5 crores during the year 2022-23 at any point of time.
- (iii) According to the information and explanations given to us and on the basis of our examinations of the Books of Accounts, the Company has not made any investment/ provided guarantee/ granted

any loans or advances, secured or unsecured, to Companies, firms and limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clauses (a), (b), (c), (d), (e), (f) of paragraph 3 of the Order are not applicable and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loan, investments, guarantees and securities to which the provisions of Section 185 and 186 of the Companies Act 2013 are applicable.
- (v) The company has not accepted any deposits from the public, as such, the directives issued by the Reserve Bank of India and the provision of Sec 73 to 76 or any other relevant provision of the Companies Act 2013 and the companies Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Govt. has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of - the Companies Act 2013 and the Companies (cost records and audit) Rules 2014, as amended for any services/activity rendered by the company. SAATON
- (vii) a) According to the information and explanations given to us and according to the books and records produced and examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty,

Excise Duty, Value Added Tax, GST, Cess and other statutory dues to extent applicable, with the appropriate authorities.

AND

According to the information and explanations given to us, No undisputed statutory dues, outstanding as at 31* March, 2023 for the period of more than six months, from the date it became payable.

- b) During the year, Company has deposited old dues of Income Tax and Custom duty which was earlier shown as contingent liabilities. Accordingly, no contingent liabilities relating to statutory dues are existing as on 31.03.2023.
- (viii) In our opinion and according to the information and explanations given to us, there is no any transaction which was not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any loans from the financial institution and debenture holders except Non plan loan from Government of India .The Company has defaulted in repayment of Government Loan including interest of Rs. 16429 lakh as per following details-

(₹ in lacs)

Nature of Including debt securities	Name of Lender	Amount not paid due date	Whether principal or Interest	No. of days delay or unpaid	Remarks if any
Non-Plan Loan	Govt. of India	16429	Principal-11159 Interest-5270	Due date- (delay 3 years to 7 years)	***

***As per decision of Govt. of India vide letter dated 17.12.2020, company is under process of closure. Govt. has approved one time grant of Rs. 316.09 crore for discharge of liabilities / dues of all stake holders and freezing of interest on Govt. Loan upto 31.03.2020 with a mention that collection from customers / sale of movable assets to be paid to Govt. against existing Govt. Loan and interest amounting to Rs. 164.29 crore and balance unpaid amount of Govt. loan and interest, if any, to be written off.

- b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been utilized for long-term purposes.
- e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) According to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (xi) a) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As auditors, we did not receive any whistle-blower complaints during the year.
- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the company and hence, not commented upon.
- (xiii) Based upon the audit procedures performed for the purpose of reporting and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable and the details of related party transactions have been duly disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us earlier company was appointing independent firm of Chartered Accountant as Internal Auditor upto 2020-21 which was commensurate with size and operations of the business. However, since 2021-22, company has not

appointed internal auditor due to shutting down of operations in compliance of closure decision of Govt. of India communicated on 17.12.2020. During the year turnover was nil. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with them as covered under section 192 of the Companies Act 2013.

(xvi) a) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The company is incurring cash losses in the financial year and in the immediately preceding financial year as company is already under process of closure and operations have already been shutdown since last year in compliance of closure decision of Govt. of India communicated on 17.12.2020.

(xviii) There has been no instance of any resignation of the statutory auditors occurred during the year.

(xix) Though, the company is under process of closure/ wind-up in line with the decision of

Govt. of India, but company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date out of non-refundable grant received from Govt. of India/ self generated fund received against sale of movable assets.

{xx} The Company is not having any business operations/ ongoing projects and the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

(xxi) The company is not having any subsidiary company. Therefore, the company does not require to prepare a consolidated financial statement. Accordingly, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For S R Gupta & Company
Chartered Accountants
FRN : 001939C


(V.K. Gupta)
Partner

M.No.: 014745

UDIN : 23014745BGW00T1087

Place: Prayagraj
Date: 31st May, 2023

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BHARAT PUMPS & COMPRESSORS LIMITED**

**COMMENTS ON DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013 IN
RESPECT OF BHARAT PUMPS & COMPRESSORS LTD., NAINI, ALLAHABAD FOR THE YEAR
ENDED 31ST MARCH, 2023**

Sl.No.	Directions	Comments
1.	Whether the company has system in place to process all the accounting transaction 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 implication, if any, may be stated.	Yes. Accounting of the company is computerized in Oracle Operating System. All transactions are finally routing through IT System. As such, there is neither any impact on integrity of accounts nor any financial impact.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	As per decision of Govt. of India vide letter dated 17.12.2020, company is under process of closure. Govt. has approved one time grant of Rs. 316.09 crore for discharge of liabilities / dues of all stake holders and freezing of interest on Govt. Loan upto 31.03.2020 with a mention that collection from customers / sale of movable assets to be paid to Govt. and interest amounting to Rs. 164.29 crore and balance unpaid amount of Govt. loan and interest, if any, to be write off. During the year company has not provided interest on Govt. Loan amounting to Rs. 2011.35 lakh.
3.	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List of cases of deviation.	Yes. Govt. grant received for payment of different stake holders has been fully utilized and properly accounted for in line with terms of sanction letters.

Place: Prayagraj
Date: 31st May, 2023

For S R Gupta & Company
Chartered Accountants
(FRN : 001939C)


(V.K. Gupta)
Partner
(M.No.: 014745)

UDIN : 23014745BGWOOT1087

**ANNEXURE "C" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON
THE STANDALONE FINANCIAL STATEMENTS OF
BHARAT PUMPS & COMPRESSORS LIMITED.**

Referred to in paragraph 3 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the standalone financial statements of the company for the year ended March 31, 2023.

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have relied on discussion with management and reply given in line with questionnaire on the Internal Financial Controls over financial reporting of BHARAT PUMPS & COMPRESSORS LTD ("The Company") formulated by previous independent internal auditor (during the year 2022-23, no internal audit was conducted by independent internal auditor) in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards of 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 Accountant of India. Those standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate 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 auditors judgment, including the assessment of the risks of material misstatement of the financial statement 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 control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with the generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATION OF INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

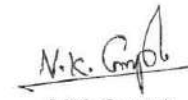
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of control, material misstatement due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal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

OPINION

In our opinion, to the best of our information, according to the explanations given to us, the company has not performed any production activity during the year but followed the material aspects with respect to sale of

movable assets and other financial transactions relating to internal financial control system over financial reporting as at March 31, 2023 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R Gupta & Company
Chartered Accountants
(FRN : 001939C)



(V.K. Gupta)
Partner

(M.No.: 014745)

UDIN : 23014745BGWOOT1087

Place: Prayagraj
Date: 31st May, 2023

Balance Sheet as at 31st March, 2023

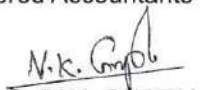
(₹ in Lakh)

PARTICULARS	Note No.	As at	
		31st March, 2023	31st March, 2022
1	2	3	4
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5353.10	5353.10
(b) Reserves and Surplus	2	(15751.88)	(14395.37)
(2) Non Current Liabilities			
(a) Long Term Borrowings	3	0.00	0.00
(b) Other Long Term Liabilities	4	0.00	0.00
(c) Long Term Provisions	5	0.00	0.00
(3) Current Liabilities			
(a) Short Term Borrowings	6	0.00	0.00
(b) Trade Payables		0.00	485.28
(c) Other Current Liabilities	7	18001.50	18189.62
(d) Short Term Provisions	8	0.00	0.00
(4) Deferred Tax Liability	11		215.62
TOTAL :		7602.72	9848.25
II. ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment & Intangible Assets	9		
(i) Property, Plant and Equipments		6.29	2125.14
(ii) Intangible Assets		0.00	2.33
		6.29	2127.47
(b) Non Current Investments	10	0.00	0.00
(c) Long Term Loans and Advances	12	0.00	0.00
(d) Other Non Current Assets	13	0.00	0.00
			2127.47
(2) Current Assets			
(a) Inventories	14	0.00	2521.49
(b) Trade Receivables	15	0.00	265.39
(c) Cash and Cash Equivalents	16	7459.39	3642.84
(d) Short Term Loans and Advances	17	137.04	1291.06
TOTAL :		7602.72	9848.25

The accompanying notes 1 to 29 are an integral part of the Financial Statements.

In terms of our report of even date
For S.R. Gupta & Company
Chartered Accountants

On behalf of the Board


(V.K. GUPTA)


(INDRASEN SINGH)
CFO & Company Secretary


(A.K. DIWAN)
Director
DIN : 10170576


(K.S. MURTHY)
Chairman and
Managing Director
DIN : 09184201

UDIN : 23014745BGW00T1087

Place : Prayagraj
Date : 31.05.2023

Statement of Profit & Loss for the year ended 31st March, 2023

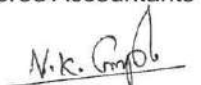
(₹ in Lakh)

PARTICULARS	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	2	3	4
(I) Revenue from operations :	18		
Gross revenue from sale of products and services		0.00	1091.43
Less : GST		0.00	122.96
Net revenue from sale of products and services		0.00	968.47
Other operating revenue		0.00	3.99
		0.00	972.46
(II) Other Income	19	4444.44	3765.26
(III) Total Income		4444.44	4737.72
(IV) Expenses :			
Cost of materials consumed	20	0.00	139.42
Changes in inventories of Finished goods and Work-in-progress	21	412.02	180.00
Employee benefits expenses	22	0.00	368.36
Finance costs		10.59	469.74
Depreciation and amortisation expenses	9	68.74	448.39
Other expenses	23	1024.51	1120.47
Write-off of bad debts/ un-recoverable trade receivable		171.37	7099.99
Total Expenses		1687.23	9826.37
Profit before exceptional and extra ordinary items and tax		2757.21	(5088.65)
Prior Period Exp / Extra Ordinary Items	24	62.72	64.71
Profit before Tax		2694.49	(5153.36)
Tax expense :			
Current Tax		0.00	0.00
Earlier year's Tax		4253.08	0.00
Deferred Tax		(215.62)	215.62
Profit for the year		(1342.97)	(5368.98)
Earning per share (Face value Rs 1000.00 each)			
Basic		Rs (250.88)	Rs (1002.97)
Diluted		Rs (250.88)	Rs (1002.97)

The accompanying notes 1 to 29 are an integral part of the Financial Statements.

In terms of our report of even date
For S.R. Gupta & Company
Chartered Accountants

On behalf of the Board


(V.K. GUPTA)
Partner


(INDRASEN SINGH)
CFO & Company Secretary


(A.K. DIWAN)
Director
DIN : 10170576


(K.S. MURTHY)
Chairman and
Managing Director
DIN : 09184201

Place : Prayagraj
Date : 31.05.2023

Cash Flow Statement for the year ended 31st March, 2023

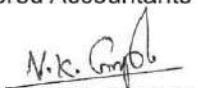
(₹ in Lakh)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash Flows from Operating Activities :		
Profit Before Tax	2694.49	(5153.36)
Adjustments for :-		
Depreciation	68.74	436.48
Interest Income	(268.40)	(10.42)
Interest Expenditure	10.59	469.74
Depreciation written back	(8495.41)	0.00
Operating Profit Before Working Capital Changes	(5989.99)	(4257.56)
Change in Working Capital :		
(Increase) / Decrease in Stock	2521.49	154.33
(Increase) / Decrease in Trade Receivables, Loans and Advances and other assets	317.80	5994.30
Increase / (Decrease) in Trade payables and other Liabilities	(673.40)	(19092.45)
Total Working Capital Changes - (Decreased) / Increased	2165.89	(12943.82)
Cash generated from Operating Activities	(3824.10)	(17201.38)
Tax Paid	4359.86	0.00
Tax Adjusted	1139.16	0.42
Net Cash from Operating Activities (A)	(7044.80)	(17200.96)
B. Cash Flows from Investing Activities :		
Purchase of Fixed Assets & DRE Expenses	0.00	0.00
Interest Received	337.47	10.42
Net Cash from Investing Activities (B)	337.47	10.42
C. Cash Flows from Financing Activities :		
Increase / (Decrease) in Share Capital	0.00	0.00
Increase / (Decrease) in Provisions	0.00	(1944.86)
Increase / (Decrease) in Reserves & Surplus	(13.54)	16822.00
(Increase) / Decrease in Long Term Loans and Advances	0.00	0.00
Increase / (Decrease) in Other Long Term Liabilities	0.00	0.00
Interest Paid	(10.59)	(1189.36)
(Increase) / Decrease in Fixed Assets	10548.01	0.00
Dividend and Dividend Tax Paid	0.00	0.00
Net Cash from Financing Activities (C)	10523.88	13687.78
Net Increase in Cash and Cash Equivalents (A+B+C)	3816.55	(3502.76)
Cash & Cash Equivalents at beginning of the year	3642.84	7145.60
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	7459.39	3642.84
NOTE :		
Components of Cash & Cash Equivalents :		
Cash & Bank Balances	7459.39	3642.84
Secured Loans (Cash Credit)	0.00	0.00
Cash & Cash Equivalents as stated above	7459.39	3642.84
(Figures in bracket represents negative figures)		

The accompanying notes 1 to 29 are an integral part of the Financial Statements.

In terms of our report of even date
For S.R. Gupta & Company
Chartered Accountants

On behalf of the Board


(V.K. GUPTA)
Partner


(INDRASEN SINGH)
CFO & Company Secretary


(A.K. DIWAN)
Director
DIN : 10170576


(K.S. MURTHY)
Chairman and
Managing Director
DIN : 09184201

UDIN : 23014745BGW00T1087

Place : Prayagraj
Date : 31.05.2023

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(1) Share Capital :		
AUTHORISED :		
6,50,000 Equity Shares of ₹1000/-each (Previous Year 6,50,000 Equity shares of ₹1,000/- each)	<u>6500.00</u>	<u>6500.00</u>
ISSUED, SUBSCRIBED & PAID UP :		
535310 fully paid up Equity Shares of ₹1,000/- each (Previous year 535310 Equity Shares of ₹1000/- each)	5353.10	5353.10
Of the above, 1588 equity shares were allotted as fully paid without payment having been received in cash being the shares allotted against expenditure incurred by Govt of India prior to the formation of the company. Out of the total fully paid up equity shares, 535309 fully paid equity shares of ₹1000/- each are held by the President of India through nominee (previous year 535309 fully paid equity shares were held by the President of India through nominee.) The company has one class of equity share having a par value of ₹1000/- each. These shares ranked pari- passu in all respect including voting right and entitlement to dividend. The President of India is only Shareholder, holding more than 5 % Shares.		
TOTAL :	<u>5353.10</u>	<u>5353.10</u>
(2) RESERVES & SURPLUS :		
Capital Reserve :		
At the beginning of the year	29078.70	12256.70
Add : Grant Received from Govt. of India	0.00	16822.00
Less : Reversal of value of Land and advance	<u>13.54</u>	<u>0.00</u>
At the end of the year	29065.16	29078.70
Surplus in Statement of Profit and Loss :		
At the beginning of the year	(43474.07)	(38105.09)
Add : Profit for the year	<u>(1342.97)</u>	<u>(5368.98)</u>
At the end of the year	(44817.04)	(43474.07)
TOTAL :	<u>(15751.88)</u>	<u>(14395.37)</u>

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(3) LONG-TERM BORROWINGS :		
Loans and advances from related parties		
Unsecured		
Loan from Government of India	0.00	0.00
TOTAL :	<u>0.00</u>	<u>0.00</u>

Note :

- (1) Non Plan Loan of Rs. 11159.00 Lakh received in 2015-16 was repayable in 5 equal instalments from first anniversary. Accordingly, all instalments became due but not paid. Further, as per accounting norms, the same is transferred in Current Liabilities.
- (2) The scheduled maturity of the Long-term borrowings is summarised as under :

	2022-23 Loan From GOVT.	2021-22 Loan From GOVT.
Borrowings repayable		
in the first year (Note No. 7)	11159.00	11159.00
Current maturities of long term debt	<u>11159.00</u>	<u>11159.00</u>
in the second year	0.00	0.00
in the third to fifth year	0.00	0.00
after five years	0.00	0.00
Long -term borrowings	<u>0.00</u>	<u>0.00</u>

	As at 31st March, 2023	As at 31st March, 2022
(4) OTHER LONG TERM LIABILITIES :		
Other Deposits	0.00	0.00
TOTAL :	<u>0.00</u>	<u>0.00</u>

	As at 31st March, 2023	As at 31st March, 2022
(5) LONG-TERM PROVISIONS :		
Provision for employee benefits		
Provision for Gratuity	0.00	0.00
Provision for Leave Encashment	0.00	0.00
TOTAL :	<u>0.00</u>	<u>0.00</u>

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(6) SHORT-TERM BORROWINGS :		
Secured		
Loans from Bank		
Cash credit facilities from SBI Naini	0.00	0.00
(Cash Credit limit from SBI Naini is secured by hypothecation of entire current assets)		
TOTAL :	<u>0.00</u>	<u>0.00</u>
(7) OTHER CURRENT LIABILITIES :		
Current maturities of long-term debts (Note No. 3)	11159.00	11159.00
Interest accrued and due on borrowings	5270.42	5270.42
Interest accrued but not due on borrowings	0.00	0.00
Sundry deposits	0.03	8.69
Payables for fixed assets	0.00	0.00
Statutory liabilities	11.16	151.99
Advance received from customers	0.00	0.00
Others	1560.89	1599.52
TOTAL :	<u>18001.50</u>	<u>18189.62</u>
(8) SHORT-TERM PROVISIONS :		
Current portion of long-term employee benefits		
Provision for Gratuity	0.00	0.00
Provision for Leave Encashment	0.00	0.00
TOTAL :	<u>0.00</u>	<u>0.00</u>

Notes to the financial statements

(₹ in Lakh)

(9) Property, Plant and Equipment & Intangible Assets : GROSS BLOCK

Particulars	Gross Block			Depreciation and Amortisation			Net Book Value		
	As at 31.03.2022	Additions	Withdrawals and adjustments	As at 31.03.2023	Upto 31.03.2022	For the year and adjustments	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Tangible assets :									
Land (Free Hold)	10.04	0.00	10.04	0.00	0.00	0.00	0.00	0.00	10.04
Site Levelling & Development	5.72	0.00	5.72	0.00	0.00	0.00	0.00	0.00	5.72
Roads and Bridges	15.04	0.00	15.04	0.00	14.29	0.00	0.00	0.00	0.75
Buildings	529.07	0.00	512.83	16.24	415.49	5.02	9.95	6.29	113.58
Drain., sewer.& water supply	39.59	0.00	39.59	0.00	35.42	0.45	0.00	0.00	4.17
Plant & Machinery	8216.25	0.00	8216.25	0.00	6447.49	58.79	0.00	0.00	1768.76
Elect.fitting & Instal.(Factory)	160.29	0.00	160.29	0.00	159.78	0.00	0.00	0.00	0.51
Elect.Fitting & Instal. (Office)	73.96	0.00	73.96	0.00	71.94	0.02	0.00	0.00	2.02
Data Processing Elect.Equip.	242.77	0.00	242.77	0.00	237.82	0.00	0.00	0.00	4.95
Vehicles	20.06	0.00	20.06	0.00	19.49	0.00	0.00	0.00	0.57
Office & Misc. Equipments	275.47	0.00	275.47	0.00	266.72	0.08	0.00	0.00	8.75
Furniture and fixtures	65.16	0.00	65.16	0.00	64.51	0.00	0.00	0.00	0.65
Tele.Exchange & Fax Machine	23.33	0.00	23.33	0.00	22.64	0.01	0.00	0.00	0.69
Pattern & Dies	796.88	0.00	796.88	0.00	592.90	4.25	0.00	0.00	203.98
TOTAL :	10473.63	0.00	10457.39	16.24	8348.49	68.62	9.95	6.29	2125.14
Previous year	10473.63	0.00	0.00	10473.63	7912.17	436.32	0.00	2125.14	2561.46
Intangible Assets :									
Computer Software	90.62	0.00	90.62	0.00	88.13	0.12	0.00	0.00	2.33
TOTAL :	90.62	0.00	90.62	0.00	88.13	0.12	0.00	0.00	2.33
Previous year	90.62	0.00	0.00	90.62	88.13	0.16	0.00	2.33	2.49
GRAND TOTAL :	10564.25	0.00	10548.01	16.24	8000.30	68.74	9.95	6.29	2127.47
Previous Year :	10564.25	0.00	0.00	10564.25	8000.30	436.48	0.00	2127.47	2563.95

Note :

(1) Details of depreciation and Amortisation charged to

Profit and Loss Statement :

- Depreciation on Property, Plant and Equipment as above
- Depreciation on Intangible Assets as above
- Depreciation on Petty Assets charged off
- Depreciation on Loose Tools

TOTAL :

(₹ in Lakh)	2022-23	2021-22
	68.62	436.32
	0.12	0.16
	0.00	0.00
	0.00	11.91
	68.74	448.39

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(10) NON CURRENT INVESTMENTS :		
In fully paid 5 shares of Rs 50/- each (unquoted) at cost in the Crescent Co-operative Housing Society Ltd., Mumbai	0.00	0.00
TOTAL :	0.00	0.00

NOTE : Investments are to the tune of Rs 250/- (Previous year Rs 250/-) due to rounding off in Lakh, figure has been shown as Rs 0.00 lakhs.

	As at 31st March, 2023	As at 31st March, 2022
(11) DEFERRED TAX ASSETS (NET) :		
Deferred tax assets :		
Provision for employee benefits		
Gratuity	0.00	6.74
Leave encashment	0.00	9.98
Employers Contribution to Provident Fund	0.00	0.00
Employees Contribution to Provident Fund	0.00	0.00
	<u>0.00</u>	<u>16.72</u>
Deferred tax liabilities :		
On fiscal allowances on fixed assets	0.00	232.34
Net Deferred Tax Assets :	0.00	-215.62
TOTAL (NET) :	0.00	0.00

NOTE : Since there is no vertual certainty of future taxable income and closure of the company, DTA was not created in previous years but DTL has been created during the year 2021-22. Since, fixed assets have been disposed off during the year, DTA/DTL has not been recognised in 2022-23 in line with Accounting Standard - 22.

	As at 31st March, 2023	As at 31st March, 2022
(12) LONG-TERM LOANS AND ADVANCES :		
Capital advances	0.00	0.00
Unsecured, considered good		
Deposits	0.00	0.00
Unsecured, considered good		
Other loans and advances	0.00	0.00
Unsecured, considered good		
Advance tax (net of provisions)	0.00	0.00
TOTAL :	0.00	0.00

	As at 31st March, 2023	As at 31st March, 2022
(13) OTHER NON CURRENT ASSETS :		
Interest accrued on deposits	0.00	0.00
TOTAL :	0.00	0.00

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(14) INVENTORIES :		
(As taken, valued & certified by the Management)		
Raw Materials (at cost)	0.00	1381.89
Work-in-progress :		
(at cost or realisable value whichever is lower)		
Pumps & Compressors	0.00	282.36
Gas Cylinders	0.00	95.66
Finished goods (manufactured) :		
(At cost or realisable value whichever is lower)		
Pumps & Compressors	0.00	0.00
Gas Cylinders	0.00	34.00
Stores and Spares (at cost)	0.00	513.48
Loose Tools (at cost less depreciation)	0.00	47.63
Scrap (at estimated realisable value)	0.00	166.47
	<u>0.00</u>	<u>2521.49</u>
The above includes goods in transit as under :		
Raw materials	0.00	0.00
Stores and Spares	0.00	0.00
TOTAL :	<u>0.00</u>	<u>0.00</u>
(15) TRADE RECEIVABLES :	As at 31st March, 2023	As at 31st March, 2022
Outstanding for a period exceeding six months from the date they are due for payment	0.00	265.39
Unsecured, considered good		
Others	0.00	0.00
Unsecured, considered good		
	<u>0.00</u>	<u>265.39</u>
Less : Provisions for bad & doubtful debts	0.00	0.00
TOTAL :	<u>0.00</u>	<u>265.39</u>
(16) CASH AND CASH EQUIVALENTS :	As at 31st March, 2023	As at 31st March, 2022
Balance with Banks		
Current / Saving / CC / OD Accounts	299.33	325.76
Margin money Accounts	0.00	214.74
Cash / Postage Stamps on hand	0.00	0.00
Others :		
Fixed Deposit with Banks	7160.06	3102.34
TOTAL :	<u>7459.39</u>	<u>3642.84</u>

Notes to the financial statements

(₹ in Lakh)

	As at 31st March, 2023	As at 31st March, 2022
(17) SHORT TERM LOANS AND ADVANCES :		
Others (Unsecured, considered good)		
Advances to employees	0.00	1.07
Advances for purchases	0.00	3.50
Advances for purchase of fixed assets	0.00	0.00
Advances others	0.00	8.46
Advance tax (net of provisions)	106.78	1139.32
Commercial advances and deposits with Statutory / Government authorities / bodies	30.26	138.71
Other deposits	0.00	0.00
TOTAL :	137.04	1291.06
(18) REVENUE FROM OPERATIONS :		
Gross revenue from :		
Sale of products	0.00	1001.97
Sale of services	0.00	89.46
	<u>0.00</u>	<u>1091.43</u>
Less : GST	0.00	122.96
Net revenue from sale of products and services	<u>0.00</u>	<u>968.47</u>
Other operating revenue :		
Scrap sales (Gross)	0.00	4.71
Less : GST	<u>0.00</u>	<u>0.72</u>
Scrap sales (Net)	0.00	3.99
Accretion /(decretion) to scrap stock	<u>0.00</u> 0.00	<u>0.00</u> 3.99
TOTAL :	0.00	3.99
(19) OTHER INCOME :		
Interest income	268.40	10.42
Liquidated damages recovered from Suppliers / Contractors	0.00	25.44
Exchange Rate Variation	0.00	0.00
Other non-operating income :		
Liabilities written back	21.97	168.71
Profit on lump sum sale of movable Assets	539.81	0.00
Sale of Technology	2800.00	0.00
Miscellaneous income	814.26	118.27
Provisions against doubtful debts , written back	0.00	3442.42
TOTAL :	4444.44	3765.26
Interest income comprises interest from :		
Deposits with Banks	268.40	10.42
Others	0.00	0.00

Notes to the financial statements

(₹ in Lakh)

	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
(20) COST OF MATERIALS CONSUMED :				
Consumption of Raw Materials	0.00		137.03	
Consumption of Stores and Spares	0.00		2.39	
TOTAL :	0.00		139.42	
(21) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS :				
Finished goods manufactured (PC)				
Opening stock	0.00		0.00	
Closing stock	0.00	0.00	0.00	0.00
Finished goods manufactured (GC)				
Opening stock	34.00		34.00	
Closing stock	0.00	34.00	34.00	0.00
Work-in-progress (PC)				
Opening stock	282.36		462.36	
Closing stock	0.00	282.36	282.36	180.00
Work-in-progress (GC)				
Opening stock	95.66		95.66	
Closing stock	0.00	95.66	95.66	0.00
		412.02		180.00
GST on increase / (decrease) of finished goods		0.00		0.00
TOTAL :		412.02		180.00
(22) EMPLOYEE BENEFITS EXPENSE :				
1. EMPLOYEES REMUNERATION :				
(i) Salaries, Wages & Allowances	0.00		191.29	
(ii) Contribution to Funds :				
Provident Fund & Family Pension	0.00		21.58	
Employee's State Insurance	0.00	0.00	0.04	212.91
2. EMPLOYEES WELFARE :				
(i) Staff Welfare Expenses	0.00		6.42	
(ii) Medical Expenses	0.00	0.00	58.54	64.96
3. SOCIAL OVERHEADS :				
(i) Canteen Expenses (Net)	0.00		4.35	
(ii) Subsidised Transport (Net)	0.00	0.00	19.25	23.60
4. RETIREMENT BENEFITS :				
(i) Gratuity	0.00		26.97	
(ii) Leave Encashment	0.00	0.00	39.92	66.89
TOTAL :		0.00		368.36

Notes to the financial statements

(25) ADDITIONAL REGULATORY INFORMATION :

- (i) The Company is not having any such immovable Properties whose title deeds are not in name of the Company.
- (ii) During the year, Plant and Equipments and other movable assets has been revalued by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. Subsequently all movable assets have been sold out through e-auction on e-portal of MSTC as the company is already in the process of closure and balance of all movable assets became nil as on 31.03.2023.
- (iii) The Company has not granted any Loans or Advances to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person. The company is already closed as per the order of Govt. of India.
- (iv) Capital-Work-in Progress (CWIP) as on 31.03.2023 is nil.
- (v) Intangible assets under development as on 31.03.2023 is nil.
- (vi) Company is not having any Benami Property. Accordingly, any proceeding has neither been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (vii) The Company is not having any borrowings from banks or financial institutions on the basis of security of current assets as on 31.03.2023. The company is already closed as per the order of Govt. of India.
- (viii) The Company is not declared willful defaulter by any bank or financial Institution or other lender.
- (ix) The Company is not having any relationship with Struck off Companies where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (x) Any registration of charges or satisfaction with Registrar of Companies (ROC) is not pending beyond the statutory period.
- (xi) The Company is not having any layers of companies and accordingly question of non-compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, does not arise.
- (xii) Regarding calculation of Ratios [(a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment] it is mentioned that operations of company has already been shut-down during previous year and balances of all movable assets are nil as on 31.03.2023 as such resultant outcome of calculation will be either abnormal or not possible to calculate due to non-availability of corresponding figures for calculation. Accordingly no-calculation has been done.
- (xiii) There is no approved Scheme(s) of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013, as such any disclosure is not required.
- (xiv) Company has not received any borrowed funds and share premium during the year 2022-23. As such utilization detail is not required to be furnished.

Notes to the financial statements

26. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

These financial statements have been prepared on the historical cost basis and in accordance with Generally Accepted Accounting Principles in India (Indian GAPP), including Accounting Standards notified under Section 133 read with Rule 7 of the Companies (Accounts) Rules, 2014, and other relevant provisions of the Companies Act, 2013. Further, the Guidance Notes/Announcements issued by The Institute of Chartered Accountant of India (ICAI) are also considered wherever applicable, as adopted consistently by the company.

1.2 USE OF ESTIMATES :

The preparation of the financial statements in conformity with the generally accepted accounting principles and Accounting Standards requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reported period and the reported amounts of assets, liabilities and disclosures of contingent liabilities on the date of financial statements. Actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which the results are crystallized.

2.0 FIXED ASSETS :

- 2.1 Land given by the Government of Uttar Pradesh is valued notionally at value shown in the records of Land Acquisition Officer, Allahabad and the corresponding amount credited to Capital Reserve Account.
- 2.2 Fixed assets including intangible assets are shown at their acquisition cost / historical cost including allocation from expenditure during construction of the company wherever so applicable.
- 2.3 Capitalization out of inter-plant transfer is made at factory cost including excise duty / GST.
- 2.4 In the case of assets put to use, where final settlement of bills with contractors are yet to be effected, capitalization is done subject to necessary adjustment in the year of final settlement.
- 2.5 Grant-in-aid and CENVAT/ITC received against capital cost of fixed assets are

reduced from the total cost of the concerned fixed assets.

- 2.6 Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the life of existing fixed assets beyond its previous life.
- 2.7 Fixed assets which are not ready for their intended use, are disclosed under Capital Work-in-Progress.

3.0 DEPRECIATION :

- 3.1 Depreciation on Fixed assets is charged / provided on Straight Line Method based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. However, where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortized depreciable amount is provided over the residual / remaining / increased useful life of the asset.
- 3.2 Depreciation on addition / deletion during the year is provided on pro-rata basis with reference to the date of additions / deletions.
- 3.3 Fixed Assets costing Rs. 5000/- or less each are depreciated fully in the year of purchase.

4.0 FOREIGN CURRENCY :

- 4.1 Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- 4.2 Monetary items denominated in foreign currencies are translated at exchange rates as at the reporting date.
- 4.3 Foreign Exchange differences arising in respect of monetary item relating to acquisition of fixed assets are adjusted to the carrying cost of related fixed asset/Capital Work-in-Progress prior to capitalization. Other exchange differences are recognized as income or expense in the period in which they arise.

5.0 IMPAIRMENT OF ASSETS :

An asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impaired loss is charged to Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there is a change in the estimate of the recoverable amount,

Notes to the financial statements

6.0 VALUATION OF INVENTORY:

- 6.1 The pricing of issues of raw materials, components and stores & spares as well as valuation there of is done on periodical weighted average cost method.
- 6.2 Stores in Transit and Material with Fabricators / Contractors are valued at cost.
- 6.3 Loose Tools valuing Rs.500/- or above are depreciated @ 20% p.a. on written down value and below Rs.500/- are charged off to revenue.
- 6.4 Work in Progress of the products manufactured by the company are valued at absorption cost or estimated realisable value whichever is lower. Jobs done internally for use in capital works are valued at factory cost.
- 6.5 The finished goods are valued at absorption cost or realisable value whichever is lower. Valuation of finished goods is inclusive of excise duty.
- 6.6 Scrap is valued at estimated realizable value.
- 6.7 Based on technical assessment, necessary provision is made for identified obsolete/ surplus/ non moving items of inventory to reflect the current status there of.

7.0 REVENUE RECOGNITION:

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer. Revenue from operations includes sale of goods & services, Excise duty, service tax and GST. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

8.0 CLAIMS:

8.1 BY THE COMPANY:

Claims for price escalation on sale contracts, export incentives and other fiscal incentives etc. are accounted for on accrual basis. However, claims for liquidated damages/penalty against suppliers are taken as income in the year of deductions from their bills.

8.2 AGAINST THE COMPANY:

- 8.2.1 Liability arising as a result of final assessment in respect of Customs Duty, Central Excise, Income Tax, Sales Tax, GST etc is provided during the year in which final assessments are made and/or decided.

- 8.2.2 Contingent liability is accounted for in the year in which it becomes evidentially estimatable and / or crystallized as payable.

9.0 RESEARCH & DEVELOPMENT EXPENDITURE:

Research and Development expenditure is charged to Profit & Loss Account in the year of incurrance. However, R & D expenditure on fixed assets is treated in the same way as other fixed assets of the Company.

10.0 FOREIGN EXCHANGE:

Liability for foreign currency loan and / or deferred credit payments is realigned as per the year's end exchange rates. Any loss or gain arising thereon, is charged to Profit & Loss Account.

11.0 PROVISIONS:

11.1 GRATUITY:

The Gratuity liability of the Company has been taken into account based on Actuarial Valuation at the end of the year.

11.2 LEAVE ENCASHMENT:

The liability on account of Leave Encashment of the Company has been taken into account based on Actuarial Valuation at the end of the year.

12.0 TAXATION:

- 12.1 Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961.
- 12.2 Deferred Tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date.

13.0 GOVERNMENT GRANTS:

Government Grants are accounted when there is reasonable certainty of their receipts. Grants received against fixed assets are treated as per Accounting Policy No. 2.5. Grants related to revenue, unless received as compensation for expenses / losses, are recognized as revenue over the period to which these are related on the principal of matching costs to revenue.

Notes to the financial statements

27. Related Party Disclosures :

In compliance with the Accounting Standard 18 "Related Party Disclosure" transactions with related parties are disclosed as under :-

(a) M/s Bharat Heavy Electricals Ltd. (BHEL) :

M/s BHEL has provided management support in line with the decision of Govt. of India, by providing Chairman & Managing Director of BPCL. In addition to this, BHEL has also provided a part time Director on BPCL Board.

(b) M/s Oil & Natural Gas Corpn.Ltd. (ONGCL) :

M/s ONGCL has provided one part time Director on BPCL Board.

(c) M/s Engineers India Ltd. (EIL) :

M/s EIL has provided one part time Director on BPCL Board.

FELLOW SUBSIDIARY / ASSOCIATES :

The Company has made the following transactions with fellow subsidiary/associated Companies :

(₹ in Lakh)

	2022-23			2021-22		
	BHEL	ONGC	EIL	BHEL	ONGC	EIL
A. Purchases made from	0.00	0.00	0.00	0.00	0.00	0.00
B. Sales made to	0.00	0.00	0.00	0.00	250.51	0.00
C. Amount realisable from	0.00	0.00	0.00	0.00	511.48	0.00
D. Amount payable to	0.00	0.00	0.00	0.00	0.00	0.00
E. Loan received from	0.00	0.00	0.00	0.00	0.00	0.00
F. Loan repaid to	0.00	0.00	0.00	1200.00	0.00	0.00
G. Loan & Interest outstanding	0.00	0.00	0.00	0.00	0.00	0.00

Notes to the financial statements

28. SEGMENT INFORMATION : Primary Segment - Business Segment

(₹ in Lakh)

	For the year ended 31.03.2023				For the year ended 31.03.2022					
	PUMPS	COMPRESSORS	CYLINDERS	GAS	TOTAL	PUMPS	COMPRESSORS	CYLINDERS	GAS	TOTAL
A. SEGMENT REVENUE :										
(i) Segment Revenue	0.00	0.00	0.00	0.00	0.00	850.27	241.16	0.00	0.00	1091.43
(ii) Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Operating Revenue - External (i - ii)	0.00	0.00	0.00	0.00	0.00	850.27	241.16	0.00	0.00	1091.43
B. SEGMENT RESULTS :										
(i) Segment Results	0.00	0.00	0.00	0.00	2952.30	(3213.68)	(1287.05)	(193.31)		(4694.04)
(ii) Unallocated Expenses (Net) (Expenses)	0.00	0.00	0.00	0.00	(257.81)	0.00	0.00	0.00		(459.32)
(iii) Profit before Tax	0.00	0.00	0.00	0.00	2694.49	0.00	0.00	0.00		(5153.36)
(iv) Income Tax/FBT/MAT/Deferred Tax	0.00	0.00	0.00	0.00	(4037.46)	0.00	0.00	0.00		(215.62)
(v) Profit after Tax	0.00	0.00	0.00	0.00	(1342.97)	0.00	0.00	0.00		(5368.98)
C. ASSETS & LIABILITIES :										
(i) Segment Assets	0.00	0.00	0.00	0.00	0.00	5896.53	2039.68	571.18		8507.39
(ii) Unallocated Assets	0.00	0.00	0.00	0.00	7602.72	0.00	0.00	0.00		1340.86
(iii) Total Assets	0.00	0.00	0.00	0.00	7602.72	0.00	0.00	0.00		9848.25
(iv) Segment Liabilities	0.00	0.00	0.00	0.00	0.00	13553.99	4832.45	0.00		18386.44
(v) Unallocated Liabilities	0.00	0.00	0.00	0.00	7602.72	0.00	0.00	0.00		(8538.19)
(vi) Total Liabilities	0.00	0.00	0.00	0.00	7602.72	0.00	0.00	0.00		9848.25
D. OTHER INFORMATIONS :										
(i) Cost incurred during the period to acquire fixed assets (incl. Capital WIP)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
(ii) Depreciation	40.90	14.58	13.26	68.74	266.78	95.10	86.51			448.39
(iii) Non Cash Expenses (other than Dep.)	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00

Notes to the financial statements

(29) Additional Notes to the Financial Statements :

(i) Basis of Preparation of Financial Statements :

Till the financial year 2019-20, financial statements was prepared on the historical cost basis applying going concern concept and in accordance with Generally Accepted Accounting Principles in India (Indian GAPP), including Accounting Standards notified under Section 133 read with Rule 7 of the Companies (Accounts) Rules, 2014, and other relevant provisions of the Companies Act, 2013. Further, the Guidance Notes/Announcements issued by The Institute of Chartered Accountant of India (ICAI) was also considered wherever applicable, as adopted consistently by the company but since the year 2020-21 onwards, financial statement are being prepared with some deviation in applying going concern concept because Ministry of Heavy Industries, Govt. of India has communicated decision of Union Cabinet vide letter Dated 17.12.2020 to shutting down the operation and closure of the company.

(ii) In the light of decision of Govt. of India, vide its order dated 17.12.2020, regarding closure of the company, necessary accounting / disclosure/ payment has been made on the following approved points :-

- a. Shutting down the operation of the plant of the company and closure of the company.
- b. Separating the employees rendered surplus due to closure through VRS/VSS after payment of all outstanding dues.
- c. Since land was provided by U.P. Govt. free of cost, it is proposed that land along with permanent structure of building and plant may be handed over to U.P. Govt. free of cost.
- d. Providing of one time grant of Rs. 316.09 crore by the Govt. of India to the company to be utilized exclusively for closure related expenses including implementation of VRS/VSS for employees, Payment of their outstanding salary & statutory dues including all outstanding dues of earlier retired employees, 1997 wage revision arrear, payment of dues of suppliers / contractors, repayment of SBI & ICICI Bank working capital loan, payment of BHEL loan along with interest, CISF , Payment of pending appeal relating to income tax and sales tax etc.

e. Write-off of Govt. of India Loans and accrued interest except the amount to be repaid by the company from sale proceed. The amount as on 31.03.2020 is Rs.164.29 crore with interest (with freezing of interest upto 31.03.2020) The above loan will be repaid by the company to Govt. of India from the realization from customers, sale proceeds of other assets of the company as and when they are disposed off and after setting all the liabilities related to closure of the company. If the assets sale proceeds are not sufficient to fully repay the loan amount, then the balance loan amount remaining unpaid is to be written off.

f. Disposal of plant/machinery and movable assets will be done by the company through e-auction by MSTC Ltd. Terms of appointment of MSTC will be in accordance with DPE /Govt. guideline.

Accordingly, most of the closure activities including sale of all movable assets and handing over of land along with permanent structure to U.P. Govt. has been completed during the year and balance of all movable and immovable fixed assets have become nil except residential flats situated at Mumbai.

(iii) The Government of Uttar Pradesh has given 295.45 acres of land free of cost against actual allotment of 300 acres of land. Conveyance deeds in respect of 295.45 acres of land have not been executed and the matter was still under correspondence till 2019-20. However due to closure of the Company by Central Govt., communicated vide letter dated 17.12.2020, it was decided that land along with permanent structure of building and plant will be handed over to U.P. Govt., free of cost. Accordingly, during the year, after sale and lifting of all movable assets, Company has handed over the same to U.P. Govt on 28.02.2023 vide Memorandum of handing over-taking over of land and permanent structure of Bharat Pumps & Compressors Limited (Ref. No. 959/SIDA/Sr.M. (C)/CD-9/Prayagraj dated 28.02.2023).

(iv) The Govt. of India vide its letter dated 17.12.2020, has frozen the interest on Govt. Loan upto 31.03.2020, accordingly, no interest provision on Govt Loan has been made during the year 2022-23 (Rs. 2011.35 lakh) and in previous year 2021-22 (Rs. 1939.62 lakh).

Notes to the financial statements

- (v) Since all employees of company has already been relieved through VRS/VSS till 12.06.2021 no further provision has been made against gratuity and leave encashment. Amount on account of Gratuity and Leave Encashment as on 31.03.2023 is relating to unpaid amount of relived employees on actual calculation basis which is kept separately under the head current liabilities. As such there is no need of Actuarial Valuation.
- (vi) Figures lying under head current liabilities sub heading "Others" as on 31.03.2023 are regrouped during the year. Accordingly, total liabilities includes Rs. 1425.51 Lakh relating to withhold / deducted amount from payable dues of retired and VRS optee executive employees and Rs. 27.98 Lakh relating to retired employees where either dispute in nominee or employees are not traceable for claiming the due amount.
- (vii) No Grant is received during the year. Total Grant amounting to Rs. 26077.00 lakh received upto previous year has been fully utilized during the year.
- (viii) Central Industrial Security Force (CISF) has raised bills for their services which includes interest liability amounting to 1413.33 lakh (previous year 1412.31 lakh) due to Non/delayed payment. CISF is a Central Government Agency and has accepted delayed payment without interest in past. Accordingly, present claim of interest amount are shown as contingent liability. For waiver of interest Company / MHI has already approached to CISF authorities / concerned Ministry.
- (ix) The Company is not having any scheme for post-retirement medical benefits.
- (x) During the year, all assets of the company has already been sold out as such, there is no need of assessment of value in compliance of AS28 - Impairment of Assets. Moreover, resultant sale value of all assets has already been accounted for and all movable assets has become NIL.
- (xi) Regarding undisputed outstanding for more than 45 days payable to Micro and Small Enterprises as at 31st March,2023, there is no outstanding amount in respect of Micro and Small Enterprises.
- (xii) Sundry Debtors as on 31.03.2023 amounting to Rs 0.00 lakh (Previous Year Rs 265.39 lakh). During the year 2022-23 company has written-off Rs 171.37 lakh (Previous year Rs. 7099.99 lakh). Earlier Company was quite hopeful for realization of these amounts which was mainly deducted towards non-commissioning/Short supply/ balance payment etc and accordingly, have not been accounted for these deductions in the books of accounts. However, in the light of decision of Closure of the company by Central Govt., communicated vide letter dated 17.12.2020, decision of write off has been taken after exercising due efforts for collection of pending trade receivables. In this regards, company made several request to the various customers for release of payment but in the present scenario of closure of the company, customers shown reluctance to favor BPCL as there will not be any future business relation and most of the deductions towards LD were made according to SO(Sale order) terms.
- (xiii) During the year, company has accounted for old disputed Income Tax demand of A.Y. 2007-08 amounting to Rs. 425307620/- arisen mainly due to addition of write off of Non Plan Govt. Loan in the F.Y. 2006-07. This demand was raised after rejection of appeal of the company in Income Tax Appellate Tribunal. In this regard, company has paid net amount of Rs. 319236720/- after adjustment of amount of refund of different years carrying in the books of accounts. Since payment of income tax are not recognized as expenditure hence shown below the line in Profit & Loss Account.
- (xiv) (A) During the year, all inventories has been sold out through MSTC as surplus / scrap and necessary accounting has been done. As such value of inventory as on 31.03.2023 is NIL.
- (B) Considering the decision of closure of the company, all long term liabilities and long term assets have been considered as short term liability and assets.
- (xv) Impact of Covid-19 pandemic on the business operations of the Company was not assessed as the operation of the Company has already shutdown in previous year in compliance of decision of closure of the company by Govt. of India.
- (xvi) Previous year's figures have been regrouped / reclassified wherever necessary to correspondent with the current year's classification / disclosure.

Notes to the financial statements

(₹ in Lakh)

(29) Additional Notes to the Financial Statements (Contd.) :

	As at 31st March, 2023	As at 31st March, 2022
(xvii) Contingent liabilities and commitments :		
(a) Contingent liabilities :		
Claims against the Company not acknowledged as debts :		
(1) In respect of civil suits	60.53	39.66
(2) Interest liability claimed by CISF	1413.33	1412.31
(3) Disputed Liability relating to custom duty - deemed export compliance (estimated amt)	0.00	51.00
(4) Income Tax liability pending appeal	0.00	3052.46
(b) Commitments :		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	0.00	0.00
* Excluding interest liability		

	2022-23		2021-22	
	Canteen	Transport	Canteen	Transport
(xviii) Social overheads :				
Total Expenditure	0.00	0.00	4.40	19.35
Less : Total Income	0.00	0.00	0.05	0.10
Net Expenditure	0.00	0.00	4.35	19.25

Notes to the financial statements

(29) Additional Notes to the Financial Statements (Contd.) :

(xix) Details of Provisions as per Accounting Standard - 29 :

(₹ in Lakh)

SL	Particulars of Provisions	Op. Balance as on 01.04.2022	Additions during the year	Paid/ Adjustments during the year	Reversed during the year	Closing Balance as on 31.03.2023
1	Gratuity	0.00	0.00	0.00	0.00	0.00
2	Leave Encashment	0.00	0.00	0.00	0.00	0.00
	TOTAL :	0.00	0.00	0.00	0.00	0.00
	Previous Year	1944.86	66.89	1944.86	66.89	0.00

Brief Description :

Gratuity & Leave Encashment : The provisions for Gratuity and Leave encashment have been made on the basis of actuarial valuation obtained for the purpose till the financial year 2019-20. and from 2020-21 onwards, provision for gratuity & leave encashment has been made on actual basis due to decision of closure of the company. There is no uncertainty about these outflows. There is also no expected reimbursement.

Notes to the financial statements

(₹ in Lakh)

(29) Additional Notes to the Financial Statements (Contd.) :

(xx)	CIF VALUE OF IMPORTS :	2022-2023	2021-2022
	Raw materials and components	0.00	0.00
(xxi)	EXPENDITURE IN FOREIGN CURRENCY: (on cash basis)		
	Analog Study	0.00	0.00
(xxii)	F O B VALUE OF EXPORT :		
	Exports of goods	0.00	0.00
(xxiii)	CONSUMPTION OF IMPORTED & INDIGENOUS MATERIALS :		
	A. Value of all imported raw materials & components, stores & spare parts consumed	0.00	6.60
	B. Value of all indigenous raw materials & components, stores & spare parts consumed	0.00	132.82
	C. Percentage of each to total consumption	0.00	5 % & 95 %

SUB NOTE :

In absence of separate figures available for spares, combined figures of stores and spares consumed have been included in giving the consumption of materials.

(xxiv) TURNOVER (GROSS) :

	2022-2023		2021-2022	
	Quantity (Nos)	Value (₹ in Lakh)	Quantity (Nos)	Value (₹ in Lakh)
A. Compressors	00 No.+spares	0.00	00 No.+spares	283.42
B. Pumps :				
1. R.P.	00 Nos+spares	0.00	04 Nos+spares	267.47
2. C.P.	00 Nos+spares	0.00	00 Nos+spares	451.08
C. Gas Cylinders	00 Nos.	0.00	00 Nos.	0.00
D. Execution of erection & other jobs	-	0.00	-	89.46
TOTAL :		0.00		1091.43

(xxv) BREAKUP OF RAW MATERIALS & COMPONENTS CONSUMED :

	2022-2023		2021-2022	
	Quantity	Value (₹ in Lakh)	Quantity	Value (₹ in Lakh)
A. INDIGENOUS :				
1. Steel plates	-	0.00	-	0.00
2. Boughtout materials for PC *	-	0.00	-	55.68
3. Other Misc. items *	-	0.00	-	74.79
TOTAL :		0.00		130.47
B. IMPORTED :				
1. Components for PC *	-	0.00	-	6.56
2. Other Misc. items *	-	0.00	-	0.00
TOTAL :		0.00		6.56
Total Raw Materials and components consumed		0.00		137.03

* There are thousands of items of different denominations and values, individual details are not possible to be given.

Notes to the financial statements

(29) Additional Notes to the Financial Statements (Contd.) :

(xxvi) STOCK OF GOODS PRODUCED :

	2022-2023		2021-2022	
	Quantity (Nos)	Value (₹ in Lakh)	Quantity (Nos)	Value (₹ in Lakh)
A. PUMPS :				
1. Centrifugal	00 Nos (00 Nos)	0.00 (0.00)	00 Nos (00 Nos)	0.00 (0.00)
2. Reciprocating	00 Nos (00 Nos)	0.00 (0.00)	00 Nos (00 Nos)	0.00 (0.00)
B. COMPRESSORS :				
1. Reciprocating	00 Nos (00 Nos)	0.00 (0.00)	00 Nos (00 Nos)	0.00 (0.00)
C. CYLINDERS :				
Various Types	00 Nos (400 Nos)	0.00 (34.00)	400 Nos (400 Nos)	34.00 (34.00)

SUB NOTE :

Quantity and value in bracket indicate figures for the previous year.

In terms of our report of even date
For S.R. Gupta & Company
Chartered Accountants


(V.K. GUPTA)
Partner
M.No. 014745
UDIN : 23014745BGWOOT1087


(INDRASEN SINGH)
CFO & Company Secretary

On behalf of the Board


(A.K. DIWAN)
Director
DIN : 10170576


(K.S. MURTHY)
Chairman and
Managing Director
DIN : 09184201

Place : Prayagraj
Date : 31.05.2023

TEN YEAR DIGEST

(₹ in Lakh)

SL	PARTICULARS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
1	VALUE OF PRODUCTION	0.00	968.47	4097.88	6370.40	5456.05	7628.01	7601.12	6967.47	7769.00	15012.60
2	SALES	0.00	1091.43	4540.05	6572.48	6866.29	7712.20	7490.94	7851.94	10223.49	14705.80
3	GROSS PROFIT/(LOSS) / PBDIT	2849.25	2929.47	(1041.34)	1126.15	(394.63)	(1129.33)	(4152.48)	(4696.03)	(3471.56)	(583.90)
4	DEPRECIATION / DRE	68.74	448.39	453.83	464.28	465.09	478.45	506.04	514.96	704.95	485.20
5	INTEREST	10.59	469.74	1312.33	2639.44	2675.12	2639.44	1805.25	789.48	599.53	498.70
6	(a) PROFIT/(LOSS) BEFORE TAX ON CURRENT OPERATIONS *	2757.21	(5088.65)	(2807.50)	(2011.01)	(3534.84)	(4247.22)	(5411.47)	(5534.76)	(4776.04)	(1567.90)
	(b) (i) PROVISIONS	0.00	0.00	338.89	687.91	306.93	383.02	1725.67	0.00	0.00	0.00
	(ii) NET PRIOR PERIOD ADJ.	62.72	0.00	0.00	0.00	0.00	0.00	1052.30	775.78	0.00	0.00
	(iii) EXTRA ORDINARY ITEM	0.00	64.71	5242.68	0.00	0.00	0.00	0.00	(310.07)	0.00	0.00
7	(c) PROFIT /(LOSS) BEFORE TAX	2694.49	(5153.36)	(8389.07)	(2698.92)	(3841.77)	(4630.24)	(8189.44)	(6000.47)	(4776.04)	(1567.90)
	PROVISION FOR TAX	4037.46	215.62	0.00	0.00	(493.43)	(238.73)	207.96	1590.06	727.73	(1043.60)
8	NET PROFIT/(LOSS) AFTER TAX	(1342.97)	(5368.98)	(8389.07)	(2698.92)	(3348.34)	(4391.51)	(8397.40)	(7590.53)	(5503.77)	(524.26)
9	GROSS BLOCK	16.24	10564.25	10564.25	10542.62	10522.31	10507.09	10468.86	10444.77	10435.75	8777.50
10	NET BLOCK	6.29	2127.47	2563.95	2974.06	3399.27	3825.93	4237.14	4682.91	5145.31	4281.90
11	WORKING CAPITAL	(10405.07)	(10954.12)	(22813.44)	(21810.58)	(16963.61)	(10580.98)	(4478.55)	(3742.10)	1828.49	5781.90
12	CAPITAL EMPLOYED	(10398.78)	(8826.65)	(20249.49)	(18836.52)	(13564.34)	(6755.05)	(241.41)	940.81	6973.80	10063.80
13	VALUE ADDED	0.00	614.48	2623.20	4335.42	3347.90	4802.37	3600.68	3149.45	3754.63	6543.60
14	NET WORTH	(10398.78)	(9257.89)	(20495.29)	(21361.22)	(18662.30)	(14820.53)	(10190.29)	(2000.85)	3999.62	8923.45
15	SALARIES, WAGES AND BENEFITS	0.00	344.76	2031.76	2476.36	3102.29	4886.92	5958.57	6517.23	6308.84	6702.50
16	CONTRIBUTION TO EXCHEQUER	3192.37	122.96	251.19	651.29	624.42	649.76	380.82	686.66	947.15	1441.00
17	INTERNAL RESOURCE GENERATION	(1211.51)	(4640.26)	(2353.67)	(1546.73)	(2576.32)	(3036.61)	(5433.53)	(6861.44)	(4071.09)	(1082.60)
18	EXPORT INCLUDING DEEMED EXPORT	0.00	0.00	0.00	0.00	0.00	155.33	175.30	976.42	1202.51	710.40
19	NO. OF EMPLOYEES	0	0	140	170	218	296	391	523	638	780
20	VALUE ADDED PER EMPLOYEE	NA	NA	18.74	25.50	15.36	16.22	9.21	6.02	5.89	8.40
21	VALUE ADDED PER RUPEE OF WAGES	NA	1.78	1.29	1.75	1.08	0.98	0.60	0.48	0.60	1.00
22	NET PROFIT /(LOSS) TO NET WORTH	0.13	0.58	0.41	0.13	0.18	0.30	0.82	3.79	(1.38)	(0.10)
23	GROSS MARGIN TO GROSS BLOCK	175.45	0.28	(0.10)	0.11	(0.04)	(0.11)	(0.40)	(0.45)	(0.33)	(0.10)
24	PBDIT TO EMPLOYEES COST	NA	8.50	(0.51)	0.45	(0.13)	(0.23)	(0.70)	(0.72)	(0.55)	(0.10)
25	VALUE ADDED TO GROSS SALES	NA	0.56	0.58	0.66	0.49	0.62	0.48	0.40	0.37	0.40
26	GROSS PROFIT TO CAPITAL EMPLOYED	(0.27)	(0.33)	0.05	(0.06)	0.03	0.17	17.20	(4.99)	(0.50)	(0.10)
27	SUNDRY DEBTORS TO NO. OF DAYS OF TURNOVER	0.00	89.00	418.13	387.44	408.50	345.20	363.51	361.14	269.58	254.90
28	INVENTORY TO NUMBER OF DAYS OF PRODUCTION	0.00	952.91	238.99	182.53	216.25	210.70	231.81	249.38	270.45	201.30



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