

AGL STANDALONE - AUDITED BALANCE SHEET

(Rs In Lakhs)

PARTICULARS	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	86,816.42	80,189.81
Capital Work-in-Progress	4	10,182.81	8,665.03
Goodwill		2,549.18	2,549.18
Other Intangible Assets	3	307.37	441.44
Financial Assets			
- Investment	5	12,400.00	8,500.00
- Other Financial Assets	6	1,901.78	905.92
Income Tax Assets (Net)	7	316.75	241.32
Other Non Current Assets	8	717.48	894.41
Total Non-Current Assets		115,191.79	102,387.11
Current Assets			
Inventories	9	4,215.74	3,868.50
Financial Assets			
- Investments	10	1,251.22	552.67
- Trade Receivables	11	6,426.03	5,621.12
- Cash & Cash Equivalents	12	2,383.30	1,564.49
- Bank balances other than above	13	45.09	2.55
- Loans	14	35,916.31	48,529.22
- Other Financial Assets	15	386.04	56.65
Other Current Assets	16	1,671.66	3,398.31
Total Current Assets		52,295.39	63,593.51
Total Assets		167,487.18	165,980.62
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	25,674.20	25,674.20
Other Equity		63,114.95	45,810.36
Total Equity		88,789.15	71,484.56
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Borrowings	18	30,991.90	32,067.27
- Other Financial Liabilities	19	23,251.78	20,214.25
Provisions	20	230.52	218.17
Deferred Tax Liabilities (Net)		9,959.01	8,842.63
Other Non Current Liabilities		-	-
Total Non-Current Liabilities		64,433.21	61,342.32
Current Liabilities			
Financial Liabilities			
- Borrowings	21	-	17,000.00
- Trade Payables	22	6,068.61	5,267.45
- Other Financial Liabilities	23	7,029.55	9,859.65
Provisions	24	335.84	365.74
Other Current Liabilities	25	604.77	660.90
Income Tax Liabilities (Net)	26	226.05	-
Total Current Liabilities		14,264.82	33,153.74
Total Equity and Liabilities		167,487.18	165,980.62



AGL STANDALONE - AUDITED STATEMENT OF PROFIT AND LOSS

(Rs in Lakhs)

PARTICULARS	Notes	For the Period Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Revenue from Operations (I)	27	138,529.68	116,244.20
Other Income (II)	28	828.12	4,053.64
Total Income (III) = (I+II)		139,357.80	120,297.84
EXPENSES			
Cost of Materials consumed	29	28,736.02	26,977.83
Purchase Of Stock In Trade	30	51,293.43	40,888.02
Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	31	64.08	40.88
Excise duty on Sale of Compressed Natural Gas (CNG)		8,398.54	7,543.95
Employee benefits expense	32	3,828.22	3,936.43
Finance costs	33	4,522.24	4,426.54
Depreciation and amortization expense	3	6,101.17	5,616.91
Other expenses	34	9,684.65	9,161.50
Total Expenses (IV)		112,628.35	98,592.06
Profit / (Loss) for the year before Exceptional Items & Taxation(V) (III - IV)		26,729.45	21,705.78
Exceptional Items (VI)	35	-	(6,096.69)
Profit / (Loss) before Taxation(VII) (V - VI)		26,729.45	15,609.09
Tax Expense:			
(1) Current Tax		8,282.00	4,654.46
(2) Adjustment of earlier years		45.08	14.42
(3) Deferred Tax		1,111.97	821.05
Total Tax Expenses (VIII)		9,439.05	5,489.93
Profit / (Loss) for the year(IX) (VII - III)		17,290.40	10,119.16
Other Comprehensive Income (X)			
- Item that will be reclassified to Profit & Loss			
- Item that will not be reclassified to Profit & Loss			
(a) Remeasurement of employee benefit obligations		18.60	(50.94)
(b) Income tax relating to these items		(4.41)	17.63
Total Other Comprehensive Income		14.19	(33.31)
Total Comprehensive Income for the Year(XI) (IX + X)		17,304.59	10,085.85
Earning per Equity Share of ₹ 10/- each (XII)	40		
- Basic		6.73	3.94
- Diluted		6.73	3.94



AGL STANDALONE - AUDITED CASH FLOW STATEMENT

(Rs in Lakhs)

	Particular	For the year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
A.	CASHFLOW FROM OPERATIONS		
	Net Profit Before Tax	26729.45	15,609.09
	Adjustment for:		
	Depreciation/Amortization	6101.17	5,616.91
	Finance Cost	4522.24	4,426.54
	Interest Income	(127.32)	(3,248.55)
	(Income)/Loss from Sale of Current Investments	(368.55)	(45.02)
	(Gain)/Loss on Sale of Fixed Assets	28.69	142.09
	Actuarial Gain/(Loss) Transferred to DCI	18.60	(50.94)
	Provision for Doubtful Debt, Loans & Advances (Net)	(39.14)	33.35
	Liabilities No Longer Required	(9.93)	(29.88)
	Write-off for Doubtful Debt, Loans & Advances	189.92	-
	Exceptional Item	0.00	6,096.69
	Total Adjustments to Net Profit	10315.68	12,941.19
	Operating Profit Before Working Capital Changes	37045.13	28,550.28
	Adjustment for:		
	Trade and Other Receivables	(1091.73)	(1,479.86)
	Inventories	(347.24)	1.32
	Other Financial Assets	(174.18)	(65.17)
	Other Non Financial Assets	1764.15	1,118.11
	Trade Payables	811.09	820.79
	Provisions	(17.55)	153.21
	Other Financial Liabilities	(767.33)	2,052.06
	Other Non Financial Liabilities	(56.13)	(600.57)
	Total Working Capital Changes	121.08	1,999.89
	Cash Generated From Operations	37166.21	30,550.17
	Direct Tax (Paid)/ Refund	(8176.46)	(4,712.55)
	Net Cash From Operating Activities	28989.75	25,837.62
B.	CASHFLOW FROM INVESTING ACTIVITIES		
	Purchase/Additions to Fixed Assets & Capital Work In Progress	(14140.54)	(12,367.83)
	Capital Advances	139.43	(219.00)
	Sale of Fixed Assets	0.36	112.91
	Redemption/(Investment) in Deposits	(42.54)	(0.85)
	Interest Received	110.13	3,234.49
	Investment in Joint Venture	(4900.00)	(3,250.00)
	Gain on sale of Mutual Fund	368.55	45.02
	Loans, Advances and Deposits given to/ received back from Related Party	12615.07	(17,879.91)
	Net Cash Used in Investing Activities	(5849.54)	(30,325.17)
C.	CASHFLOW FROM FINANCING ACTIVITIES		
	Proceeds of Long Term Borrowings	24530.23	28,490.66
	Repayment of Long Term Borrowings	(27677.32)	(1,458.82)
	Proceeds/ Repayment from Commercial paper	(15000.00)	(15,000.00)
	Proceeds / Repayment of Short Term Borrowings	(2000.00)	(4,600.00)
	Repayment of Loans and Advances	0.00	0.00
	Interest Paid	(4502.73)	(4,452.65)
	Security Deposit from Customer & contractors	3026.97	2,038.22
	Dividend Paid (including dividend distribution tax)	0.00	0.00
	Net Cash Used for Financing Activities	(21622.85)	5,017.41
D.	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	1517.36	529.85
	Cash and Cash Equivalents at the beginning of the year	2117.16	1,587.31
	Cash and Cash Equivalents at the end of the year	3634.52	2,117.16
	Components of cash and cash equivalents		
	Cash on hand	7.68	10.58
	Cheque on hand	0.00	0.00
	Balances with Local banks		
	- In Current Account	810.62	1,353.91
	- In Fixed Deposit Account	1565.00	200.00
	Highly Liquid mutual Fund	1251.22	552.67
	Total cash and cash equivalents	3634.52	2,117.16



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31-Mar-2018

A. Equity Share Capital

(' in Lakhs)

Particulars	No. of Shares	Amount
As at 1 st April 2016	256,742,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 31 st March 2017	256,742,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 31 st March 2018	256,742,040	25,674.20

(' in Lakhs)

Particulars	Retained Earnings
Balance as at 1 st April 2016	35,724.51
Adjustments	
Add : Profit for the year	10,119.16
Other Comprehensive Income	
Remeasurement of employee benefit obligations	(33.31)
As at 31 st March 2017	45,810.36
Balance as at 1 st April 2017	45,810.36
Adjustments	
Add : Profit for the year	17,290.40
Other Comprehensive Income	
Remeasurement of employee benefit obligations	14.19
As at 31 st March 2018	63,114.95

The accompanying notes are an integral part of the financial statements



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-Mar-2018

NOTE : 1 CORPORATE INFORMATION

Adani Gas Limited (AGL) was originally incorporated as Adani Energy (U.P.) Limited on 5th August 2005 as Public Limited Company under the Companies Act 1956 vide CIN U40100GJ2005PLC046553 & is having registered address at "Adani House", Nr. Mithakali Cross Roads, Ahmedabad & is having corporate office at 8th Floor, Heritage House, Nr. C.N.Vidhyala, Umanpura, Ahmedabad - 380009. Subsequently Adani Energy (U.P.) Ltd. was renamed as Adani Gas Limited vide fresh Certificate of Incorporation consequent upon change of name dated 8th January, 2010. It is a wholly owned subsidiary of Adani Gas Holding Limited. The company carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users. The company is presently operating in Ahmedabad, Vadodara, Faridabad and Khurja

NOTE : 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION & PRESENTATION OF THE ACCOUNTS : -**a) STATEMENT OF COMPLIANCE**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time by the Companies (Indian Accounting Standards) (Amendment) Rules, 2015.

b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Financial statements are presented in INR except when otherwise stated.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions are required in particular for:

i) Useful life of tangible.

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

ii) Recognition of deferred tax.

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including estimates of temporary differences reversing on account of available benefits from Income Tax Act, 1961. Deferred tax assets recognized to the extent of the corresponding deferred tax liability.

iii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of

iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans.

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.



d) CURRENT & NON-CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

e) INVENTORIES

- i) Inventories are valued at lower of cost or net realisable value.
- ii) Stores and Spares are valued at Cost or NRV which ever is less. Cost is determined on Weighted Average basis & comprises of expenditure incurred in the normal course of business in bringing inventories to their location & condition including appropriate overheads.
- iii) Quantity of CNG in cascades and Natural Gas in pipelines are estimated on a volumetric basis & are valued on Weighted Average basis considering lower of cost or net realisable value.
- iv) Net Realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

f) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

g) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

h) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

- Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

- However, sales tax/ value added tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

- i) Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly for domestic customers, fortnightly for commercial, Non commercial & Industrial Customer.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Gas supplied to domestic customers for which billing have not been done as per the billing cycle is treated as stock and revenue for the same is accounted in the year in which Sales are billed.
- vi) Dividend Income from investments is recognised when the Company's right to receive payment is established.

i) PROPERTY, PLANT & EQUIPMENTS

- i) Property, Plant and Equipment's, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses & net of Taxes (net of Cenvat and VAT credit wherever applicable).
- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- iii) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment's, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss for the period during which such expenses are incurred.



- iv) Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.
- v) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- vi) The Natural Gas (NG) distribution systems for PNG connections commissioned on commencement of supply of gas to the individual consumers.
- vii) The CNG outlets are commissioned on commencement of sale of CNG to the customers.
- viii) An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.
- ix) The cost of Fixed Assets not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- x) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective fixed assets.
- xi) Depreciation on assets acquired/ disposed off during the year provided on pro-rata basis with reference to date of addition/ disposal.
- xii) Property, Plant and Equipment are depreciated on straight line basis over the estimated useful lives as follow:

Assets Class	Estimated Useful Life
Compressors	8 years
Dispensers	8 years
Canopy	10 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years
Mobile Devices	100% in the year of incurrence

j) INTANGIBLE ASSETS

- i) Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.
- ii) Goodwill acquired as a result of demerger of COD business from Adani Energy Ltd is measured at net value as at 31-Mar-15. As per the requirements of Ind AS, Goodwill shall not be amortization but will be checked for impairment at regular intervals of time when there are certain indications that the operations of the company or any of its unit is impaired.
- iii) Intangible assets are amortised on straight line basis over their estimated useful life as below:

Assets Class	Estimated Useful Life
Leased Hold Land	Over the period of lease
Right of Use of Land	Over the period of Rights

k) FINANCIAL INSTRUMENTS

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

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

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

A) Financial Assets

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

The measurement of financial assets depends on their classification, as described below:



1) At amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met :

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of

3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

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

Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the Statement of Profit and Loss.

B) Financial Liabilities

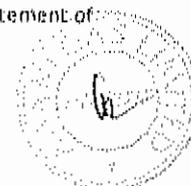
Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

At amortised cost

This is the category most relevant to the Company. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

At fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the Statement of Profit and Loss.



Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C) Derivative Financial Instruments**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the Statement of Profit and Loss and reported with foreign exchange gains/(loss) not within results from operating activities. Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance expense.

I) FOREIGN CURRENCY TRANSACTIONS**i) Functional and presentation**

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

ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of exchange differences arising on long-term foreign currency monetary items recognised in the financial statements as at March 31, 2018 and related to acquisition of a fixed assets and such differences are capitalised and depreciated over the remaining useful life of the related asset. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

m) EMPLOYEE BENEFITS

Employee benefits includes gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

A) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

B) Post Employment Benefits**i) Defined Benefit Plans**

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Financial statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

ii) Defined Contribution Plans

Retirement benefits in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

iii) Other Long-term employee benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.



- lv) The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

n) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

o) SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to management. For management purposes, the Company is organized into business units based on its products and services.

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected in the financial statements themselves as at, and for the financial year ended March 31, 2018.

p) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

q) LEASES

- i) The determination of whether an arrangement is / or contains a lease is based on the substance of the arrangement at the inception of the lease. A lease is classified at the inception date as a finance lease or an operating lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- ii) Lease arrangement where risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as Operating Leases. The company's leasing arrangements are in respect of operating lease for office premises. The aggregate lease rent payable is charged as rent including lease rentals.

r) EARNING PER SHARE

Basic EPS has been computed by dividing the profit for the year available to attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the accounting year. Diluted EPS has been computed by dividing the profit attributable to equity holders of the parent (after adjusting for costs associated with dilutive potential equity shares) by the weighted average number of equity shares and dilutive potential equity shares outstanding during the accounting year.

s) TAXES ON INCOME

i) DEFERRED TAXATION

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

ii) CURRENT TAXATION

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



t) IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash

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

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

u) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

v) EXCEPTIONAL ITEMS

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-Mar-2018

NOTE 3 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(` in Lakhs)

PARTICULARS	Property, Plant & Equipments										Intangible Assets		
	Freehold Land	Leasehold Land	Building	Office Equipments	Computer	Vehicle	Furniture	Stove Equipment	Plant & Machinery	Total	Computer Software	Right of Use of Land	Total
Year Ended 31st March 2017													
Gross Carrying Value													
Opening Gross Carrying Amount	1,652.96	4,402.82	4,937.37	244.17	129.11	39.75	866.01	30.00	66,609.03	77,905.31	607.93	11.71	519.64
Addition during the Year	-	29.55	450.31	150.68	409.83	-	35.07	-	12,104.12	15,090.26	257.99	-	257.99
Deletion during the Year	-	75.45	147.03	0.11	0.05	-	34.92	-	20.20	290.16	-	-	-
Transfer	-	-	-	0.90	(13.75)	-	5.15	(36.04)	35.79	-	-	-	-
Closing Gross Carrying Value	1,652.96	4,351.92	5,240.64	405.65	710.74	39.75	872.00	-	77,792.58	90,665.21	765.92	11.71	777.63
Accumulated Depreciation													
Opening Accumulated Depreciation	-	55.41	85.87	75.06	39.31	0.97	202.85	4.26	4,007.14	5,028.05	156.41	6.36	161.78
Depreciation during the year	-	57.32	104.96	79.10	55.80	6.88	150.01	-	4,905.64	6,442.51	159.69	6.80	174.40
Disposal	-	7.70	3.21	0.06	0.45	-	12.27	-	10.89	55.16	-	-	-
Transfer	-	-	-	0.50	(1.01)	-	0.71	(4.26)	4.26	-	-	-	-
Closing Accumulated Depreciation	-	97.96	189.12	184.40	93.45	13.05	349.20	-	9,501.35	10,475.39	326.01	10.16	336.19
Net Carrying Amount	1,652.96	4,253.97	5,050.53	249.15	217.29	21.00	522.81	-	68,291.23	80,189.81	439.91	1.55	441.44
Year Ended 31st March 2016													
Gross Carrying Value													
Opening Gross Carrying Amount	1,652.96	4,351.92	5,240.64	405.55	570.70	39.75	872.09	-	77,792.58	90,665.21	765.92	11.71	777.63
Addition during the Year	-	-	105.91	46.92	270.20	-	36.90	-	12,190.42	12,605.95	32.81	-	32.81
Deletion during the Year	-	-	-	0.42	0.46	10.04	-	-	111.11	127.03	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Value	1,652.96	4,351.92	5,351.15	405.05	800.40	29.71	908.99	-	89,681.86	103,193.13	778.73	11.71	790.44
Accumulated Depreciation													
Opening Accumulated Depreciation	-	97.96	189.12	154.40	93.45	13.05	349.20	-	9,501.35	10,475.39	326.01	10.16	336.19
Depreciation during the year	-	49.17	102.85	78.85	63.40	0.61	134.77	-	5,073.50	5,954.29	145.40	1.42	146.82
Disposal	-	-	-	0.42	0.27	0.06	-	-	85.42	92.07	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	147.12	304.97	250.01	186.66	13.60	484.05	-	14,660.31	16,536.71	471.47	11.00	483.07
Net Carrying Amount	1,652.96	4,254.80	5,046.19	210.24	593.81	19.11	424.94	-	75,021.55	86,656.42	307.26	0.71	307.37

Notes:

a) Lease hold land is amortised over a period of lease. Amount of amortisation for the current year is shown in depreciation column

b) Impairment of Fixed Assets

Management has carried out a review, of the carrying value of assets as March 31, 2016 in accordance with the provisions of Ind AS - 36 Impairment of Assets. Based on this review, the management is of the opinion, that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.

c) For Securities refer note no. 10

NOTE : 4 CAPITAL WORK IN PROGRESS

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Capital Work in Progress Including Capital Inventory	10,182.81	8,665.03
	10,182.81	8,665.03

NOTE : 5 NON CURRENT INVESTMENT

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Investment in Equity Instruments		
Unquoted-Trade Investment		
In Joint Venture		
12,40,00,000 (P.Y 8,50,00,000) shares of Indian Oil -Adani Gas Pvt. Ltd. of ` 10/- each	12,400.00	8,500.00
	12,400.00	8,500.00
Aggregate value of unquoted investments	12,400.00	8,500.00



NOTE : 6 OTHER NON CURRENT FINANCIAL ASSETS

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Other Receivable from Related Parties	.	189.89
Security Deposits		
Unsecured, considered good		
- With Government	211.83	197.54
- With Others	507.76	350.06
Interest Accrued and due on deposit	179.37	165.40
Interest Accrued and not due on deposit	2.82	3.03
Share application money pending allotment		
JV-Indian Oil-Adani Gas Pvt. Ltd	1,000.00	.
	1,901.78	905.92

Note: Refer note no:43 for Related Party Balances

NOTE : 7 INCOME TAX ASSETS (NET)

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Advance Payment of Income Tax (net of current tax provision)	316.75	241.32
	316.75	241.32

**NOTE : 8 OTHER NON CURRENT ASSETS
(Unsecured, Considered Good)**

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Balance with Government Authorities	613.24	650.74
Advance against Expenses		
Unsecured, considered good		
- Capital Advances	104.24	243.67
	717.48	894.41

Note: Refer note no:43 for Related Party Balances

NOTE : 9 INVENTORIES

(At cost or net realisable value whichever is lower)

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Stock in trade / Finished Goods	674.55	738.63
Stores and spares	3,541.19	3,129.87
	4,215.74	3,868.50



NOTE : 10 CURRENT INVESTMENTS

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Unquoted Mutual Funds		
28885.899 (P.Y: NIL) Units in Indiabulls Liquid Fund - Direct Plan Growth (LFG1) of Rs. 1000 each	490.55	-
7944.246 (P.Y: NIL) Units in LIC NOMURA MF Liquid Fund - DIRECT - Growth Plan - Growth of Rs. 1000 each	250.37	-
26668.891 (P.Y: NIL) Units in Peerless Liquid Fund - Direct Plan - Growth of Rs. 1000 each	510.30	-
NIL (P.Y: 261,485.006) Units in DHFL Pramerica Insta Cash Plus Fund - Direct Plan - Growth of Rs 100 each	-	552.67
	1,251.22	552.67
Aggregate value of unquoted investments	1,251.22	552.67

NOTE : 11 TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
(i) Unsecured, considered good	6,426.03	5,621.12
(ii) Doubtful	34.13	73.27
	6,460.16	5,694.39
(iii) Provision for doubtful receivable	(34.13)	(73.27)
	6,426.03	5,621.12

Note: Refer note no:43 for Related Party Balances

NOTE : 12 CASH AND CASH EQUIVALENTS

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
(i) Balances with banks		
- In Current Account	810.62	1,353.91
- In Fixed Deposit Account	1,565.00	200.00
ii) Cash on hand	7.68	10.58
	2,383.30	1,564.49

NOTE : 13 OTHER BANK BALANCES

(` in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Deposits with original maturity over 3 months but less than 12 months	45.09	2.55
	45.09	2.55



NOTE : 14 CURRENT LOANS**(Unsecured, considered good)**

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Loans to related parties	35,891.02	48,506.09
Loan to employees	25.29	23.13
	35,916.31	48,529.22

Note: Refer note no:43 for Related Party Balances**NOTE : 15 OTHER CURRENT FINANCIAL ASSETS****(Unsecured, considered good)**

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Interest Accrued and Not Due on deposit	8.21	4.78
Other Receivables from Related Parties	377.83	51.87
	386.04	56.65

Note: Refer note no:43 for Related Party Balances**NOTE : 16 OTHER CURRENT ASSETS****(Unsecured, considered good)**

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Advance against expenses	303.34	120.34
Balance with Government Authorities	1,356.33	2,889.96
Prepaid Expenses	11.99	388.01
	1,671.66	3,398.31

Note: Refer note no:43 for Related Party Balances

NOTE : 17 SHARE CAPITAL

Particulars	AS AT 31-Mar-2018		AS AT 31-Mar-2017	
	No. of Share	(` in Lakhs)	No. of Share	(` in Lakhs)
AUTHORISED Equity Shares of ` 10/- each	260000000	26,000.00	260000000	26,000.00
	260000000	26,000.00	260000000	26,000.00
ISSUED, SUBSCRIBED & PAID-UP Equity shares of ` 10/- Each Fully Paid up	256742040	25,674.20	256742040	25,674.20
	256742040	25,674.20	256742040	25,674.20
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year				
Equity shares				
Particulars	AS AT 31-Mar-2018		AS AT 31-Mar-2017	
	No. of Share	(` in Lakhs)	No. of Share	(` in Lakhs)
At the beginning of the year	256742040	25,674.20	256742040	25,674.20
Issued during the period	-	-	-	-
Outstanding at the end of the year	256742040	25,674.20	256742040	25,674.20
(b) Terms/ rights attached to equity shares				
<p>The company has only one class of equity shares having par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend.</p>				
(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates				
Out of equity shares issued by the company, shares held by its holding company are as below:				
Equity shares of ` 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2018		AS AT 31-Mar-2017	
	No. of Share	(` in Lakhs)	No. of Share	(` in Lakhs)
Adani Gas Holdings Ltd (along with its nominees)	256742040	25,674.20	256742040	25,674.20
(d) Details of shareholders holding more than 5% shares in the company				
Equity shares of ` 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2018		AS AT 31-Mar-2017	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Gas Holdings Ltd (Along with its nominees)	256742040	25,674.20	256742040	25,674.20



NOTE : 18 LONG TERM BORROWINGS

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Term loans - Secured		
From Bank	30,991.90	32,067.27
	30,991.90	32,067.27

Note:**Repayment terms and Security Details:**

- a) Long Term Rupee Term Loan of ₹ 13,995 Lakhs is repayable in 16 Quarterly Installment of ₹ 388.75 Lakhs each from F.Y 18 to F.Y 21, 11 Quarterly Installments of ₹ 622 Lakhs each from F.Y 22 to Q3 F.Y. 24 and final installment of ₹ 933 Lakhs in Q4 F.Y 24 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.35% and is payable on monthly basis and secured by:
- A First Pari passu charge by way of Hypo. on all the Company's movables including Movable P&M and all other movable assets, present and future located Vadodara, Faridabad & Khurja.
 - A Second Pari Passu charge on the Company's Current Assets, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, Intangibles, goodwill, uncalled capital, present and future.
- b) Long Term Rupee Term Loan of ₹ 13,209.19 Lakhs is repayable at 17 Quarterly Installment of Rs. 357 Lakhs each from F.Y 18 to Q1 F.Y 22, 10 Quarterly Installments of ₹ 571.20 Lakhs each from Q2 F.Y 22 to Q3 F.Y. 24 and installment of ₹ 785.41 Lakhs in Q4 F.Y 24 and final installment of ₹ 642.61 Lakhs in Q1 F.Y 25 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.20% and is payable on monthly basis and secured by:
- A First Pari passu charge by way of Hypo. on Movable Properties at Ahmedabad, Vadodara, Faridabad & Khurja.
 - A Second Pari Passu charge on the Borrower's Current Assets.
- c) Long Term Rupee Term Loan of ₹ 7,790 Lakhs is repayable in 18 Quarterly Installment of ₹ 205 Lakhs each from F.Y 18 to Q2 F.Y 22, 8 Quarterly Installments of ₹ 328 Lakhs each from Q3 F.Y 22 to Q2 F.Y. 24 and 4 Quarterly Installments of ₹ 369 Lakhs each from Q3 F.Y. 24 to Q2 F.Y 25 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.50% and is payable on monthly basis and secured by :
- A First Pari passu charge by way of Hypo. on Movable Assets at Ahmedabad, Vadodara, Faridabad & Khurja.
 - A Second Pari Passu charge on the Company's Current Assets, Account Assets and Receivables
- d) For Current maturities of Long term borrowing refer Note No-25 "Other Current Financial Liabilities"

NOTE : 19 OTHER LONG TERM FINANCIAL LIABILITIES

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Retention Money	84.22	131.75
Security Deposit From Customers	23,167.56	20,082.50
	23,251.78	20,214.25

Note:

- i) Deposits from all Customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as long term liabilities.
- ii) Retention Money is considered as long term liabilities considering the long term contracts with them.



NOTE : 20 LONG TERM PROVISIONS

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Provision for Gratuity (refer note 42)	-	-
Provision for Leave Encashment (refer note 42)	230.52	218.17
	230.52	218.17

NOTE : 21 SHORT TERM BORROWINGS

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Unsecured Borrowings		
Commercial Paper	-	15,000.00
Term Loan - Unsecured		
From Bank	-	2,000.00
	-	17,000.00

Note:

Company has availed CC & Non Fund Based facilities and same is secured by:

- A First Pari passu charge on Immovable properties of the Ahmedabad for ₹ 158 crores.
- Pari-passu first charge on Current Assets of the Company pertaining to Ahmedabad project for ₹ 233 crore.
- First pari passu charge on Stock, Book-debts and receivables (excluding plant and machinery and movable assets of the Company) both present & future

NOTE : 22 TRADE PAYABLE

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Trade payables		
- Micro, small and medium enterprise	-	3.08
- Others	6,068.61	5,264.37
	6,068.61	5,267.45

Note:

- a) Refer note no:43 for Related Party Balances
- b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006
 - i) Principal amount remaining overdue unpaid to any supplier as at the end of the accounting year
 - ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year
 - iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date
 - iv) The amount of interest due and payable for the year
 - v) The amount of interest accrued and remaining unpaid at the end of the accounting year
 - vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid



NOTE : 23 OTHER CURRENT FINANCIAL LIABILITIES

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Current maturities of long term debt (refer sub note of note 18 for security offered)		
- Loan from Bank	3,771.18	5,842.90
Total	3,771.18	5,842.90
Interest accrued but not due on borrowings	101.84	82.33
Security Deposit from Contractor	102.02	160.11
Other payables		
- Creditors for Capital Goods	2,163.55	3,070.61
- Retention Money	890.96	703.66
- Others	-	0.04
	7,029.55	9,859.65

NOTE : 24 SHORT TERM PROVISIONS

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Provision for Gratuity (refer note 42)	254.03	256.18
Provision for Leave Encashment (refer note 42)	81.81	109.56
	335.84	365.74

NOTE : 25 OTHER CURRENT LIABILITIES

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Statutory Dues Payable (includes TDS, GST, VAT, PF etc.)	426.26	521.14
Customer Advances	178.51	139.76
	604.77	660.90

NOTE : 26 INCOME TAX LIABILITIES (NET)

(' in Lakhs)

PARTICULARS	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Provision for Tax (net of advance tax and tax deducted at source)	226.05	-
	226.05	-



NOTE : 27 REVENUE FROM OPERATIONS

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Sale of Goods		
(i) CNG Sales	68,341.22	61,387.01
(ii) PNG Sales	68,585.54	53,480.45
Sale of Services		
(i) Connection Income	750.35	604.19
(ii) Transportation Income	236.36	242.56
Other Operating revenues	616.21	529.99
	138,529.68	116,244.20

NOTE : 28 OTHER INCOME

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Interest Income	127.32	3,248.55
Foreign Exchange Gain	-	2.43
Net Gain on sale of Current Investments	368.55	45.02
Liabilities no longer required written back	9.93	29.88
Sale of Stores and Spares	18.61	426.67
Other non-operating income	56.57	53.95
Corporate Guarantee Income	247.14	247.14
	828.12	4,053.64

NOTE : 29 COST OF RAW MATERIALS CONSUMED

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Opening Stock	-	-
Add : Transfer from Purchase of Stock in trade	28,736.02	26,977.83
	28,736.02	26,977.83
Less : Closing Stock	-	-
	28,736.02	26,977.83



NOTE : 30 PURCHASE OF STOCK IN TRADE

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Purchase of Stock in Trade	80,029.45	67,865.85
Less: Transfer for CNG Conversion	28,736.02	26,977.83
	51,293.43	40,888.02

NOTE : 31 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Opening stock of Finished Goods / Stock In Trade	738.63	779.51
Less: Closing Stock of Finished Goods / Stock In Trade	674.55	738.63
	64.08	40.88

NOTE : 32 EMPLOYEE BENEFIT EXPENSE

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Salaries and wages	2,514.20	2,469.03
Contractual Manpower Expenses	842.23	1,001.64
Contribution to provident and other funds	216.46	189.68
Staff Welfare Expenses	255.33	276.08
	3,828.22	3,936.43

NOTE : 33 FINANCE COSTS

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
I. Interest		
Interest on Term Loan	3,184.74	1,624.75
Interest on Security Deposit	283.26	292.87
Interest on Commercial Paper	843.09	2,359.70
Interest on Income Tax	4.41	27.16
Interest Others	1.73	34.62
II. Other Borrowing Cost		
Bank & Other Finance Charges	205.01	87.44
	4,522.24	4,426.54



NOTE : 34 OTHER EXPENSES

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Consumption of stores and spare parts	960.92	1,064.10
Power and fuel	2,679.78	2,268.71
Transportation Charges	332.85	308.07
Foreign Exchange Loss	8.56	-
Security Expenses	203.58	123.81
Commission & Brokerage	122.09	567.77
Rent	240.49	218.92
Repairs to buildings	162.67	146.55
Repairs to machinery	1,661.23	1,233.83
Repairs to Others	160.56	151.71
Insurance	36.06	47.35
Rates and taxes	354.70	366.04
Legal and Professional Fees	918.36	787.49
Travelling and Conveyance Expenses	396.55	345.26
Advertisement and Business Promotion Expenses	164.52	340.74
Office Expenses	81.14	84.22
Communication & IT Expenses	464.46	374.68
Printing and Stationery Expenses	103.93	94.43
Donation	26.00	161.50
Corporate Social Responsibility Expenses (refer note 41)	283.20	228.52
Director Sitting Fees	1.12	2.28
Payment to Auditors		
(i) Statutory Audit Fees	9.30	6.50
(ii) Tax Audit Fees	-	2.00
(iii) Other Attestation Services	0.27	1.08
Miscellaneous expenses	132.84	60.50
Provision for Doubtful Debt, Loans & Advances (Net)	(39.14)	33.35
Write-off for Doubtful Debt, Loans & Advances	189.92	-
Loss on Sale on Property, Plant & Equipment	28.69	142.09
	9,684.65	9,161.50

NOTE : 35 EXCEPTIONAL ITEMS

(' in Lakhs)

PARTICULARS	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Abandoned Project Write Off	-	6,096.69
	-	6,096.69



Note : 36 INCOME TAX EXPENSE

a) Calculation of Deferred Tax Liability / Asset (net)

PARTICULARS	(' in Lakhs)	
	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Deferred Tax Liabilities on account of		
Timing difference between books and tax depreciat	10,205.53	9,097.84
Ind As Adjustment on following:		
Ancillary Borrowing cost	-	5.83
Total	10,205.53	9,103.67
Deferred Tax Assets on account of		
Leave Encashment & Gratuity	197.91	202.08
Provision for Doubtful debts	11.93	25.36
Bonus	36.69	33.60
Total	246.52	261.04
	9,959.01	8,842.63

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2018 & 31st March 2017 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

Particulars	For the Year Ended	For the Year Ended
	31-Mar-2018	31-Mar-2017
Profit Before Tax	26,729.45	15,609.09
Tax Rate for Corporate Entity as per I. Tax Act, 1961	34.61%	34.61%
Tax Expense as per Income Tax Act, 1961	9,250.53	5,402.07
Tax Effect of Non Deductible Items under Income Tax Act		
CSR Expenses	49.00	39.54
Donation	4.50	28.03
Interest on Income Tax	1.66	9.40
Changes in Tax Rate	95.76	-
Tax Adjustments of earlier years	45.08	14.42
Others	(7.48)	(3.54)
	9,439.05	5,489.93

Note : 37 FINANCIAL INSTRUMENTS AND RISK REVIEW

a) Accounting Classification and Fair Value Hierarchy

Financial Assets and Liabilities

The Company's principal financial assets include loans and trade receivables, cash and cash equivalents and other receivables. The Company's principal financial liabilities comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables summarises carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented.



As at 31st March, 2018 :

(' in Lakhs)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	2,383.30	2,383.30
Other Bank balances	-	45.09	45.09
Investments	1,251.22	-	1,251.22
Trade Receivables (including bill discounted)	-	6,426.03	6,426.03
Loans	-	35,916.31	35,916.31
Other Financial assets	-	2,287.82	2,287.82
Total	1,251.22	47,058.55	48,309.77
Financial Liabilities			
Borrowings (including the bills discounted)	-	30,991.90	30,991.90
Trade Payables	-	6,068.61	6,068.61
Other Financial Liabilities	-	30,281.33	30,281.33
Total	-	67,341.84	67,341.84

As at 31st March, 2017 :

(' in Lakhs)

Particulars	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	1,564.49	1,564.49
Other Bank balances	-	2.55	2.55
Investments	552.67	-	552.67
Trade Receivables (including bill discounted)	-	5,621.12	5,621.12
Loans	-	48,529.22	48,529.22
Other Financial assets	-	962.57	962.57
Total	552.67	56,679.95	57,232.62
Financial Liabilities			
Borrowings (including the bills discounted)	-	49,067.27	49,067.27
Trade Payables	-	5,267.45	5,267.45
Other Financial Liabilities	-	30,073.90	30,073.90
Total	-	84,408.62	84,408.62

Notes :

(a) Investments exclude Investment in Joint Ventures.

(b) Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

b) Financial Risk Management Objective and Policies :

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives., the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

Particulars	(' in Lakhs)	
	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
Impact on profit for the year	174.97	271.90



Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Maturity profile of financial liabilities :

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March, 2018 :

(' in Lakhs)				
Particulars	Less than 1 year	1 to 5 years	More than 5	Total
Borrowings	3,803.02	23,118.54	8,072.65	34,994.21
Other Non Current Financial Liability	-	-	23,251.78	23,251.78
Other Current Financial Liability	3,258.37	-	-	3,258.37
Trade Payables	6,068.61	-	-	6,068.61
Total	13,130.00	23,118.54	31,324.43	67,572.97

As at 31st March, 2017 :

(' in Lakhs)				
Particular	Less than 1 year	1 to 5 years	More than 5	Total
Borrowings	22,850.98	31,090.20	1,000.00	54,941.18
Other Non Current Financial Liability	-	-	20,214.25	20,214.25
Other Current Financial Liability	4,016.75	-	-	4,016.75
Trade Payables	5,267.45	-	-	5,267.45
Total	32,135.18	31,090.20	21,214.25	84,439.62

Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company monitors capital using gearing ratio, which is net debt (borrowing as detailed in note 18, 21 and 23 less cash and bank balances) divided by total capital plus debt.

Particulars	(' in Lakhs)	
	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Total Borrowings (Refer note 18, 21 and 23)	34,763.07	54,910.17
Less: Cash and bank balance (Refer note 12 and 13)	2,428.39	1,567.04
Net Debt (A)	32,334.68	53,343.13
Total Equity (B)	88,789.15	71,484.56
Total Equity and Net Debt (C=A+B)	121,123.84	124,827.69
Gearing Ratio	27%	43%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2018 and 31st March, 2017.



NOTE : 38 Contingent Liabilities and Commitments:

(' in Lakhs)

Particulars	AS AT	AS AT
	31-Mar-2018	31-Mar-2017
A) Contingent Liabilities		
a) Pending labour matters contested in various courts	65.67	79.63
b) Cases pending in Consumer Forums	2.04	2.34
c) Cases pending in MACT	10.00	10.00
d) In respect of Service tax, Excise Duty and VAT	5,295.55	4,150.52
f) In respect of Income tax	352.72	733.31
g) Special Civil Suits	25.00	25.00
h) Corporate Guarantee on behalf of JV company	247,138.00	247,138.00
i) Case pending in CCI	2,567.00	2,567.00
Total A	255,455.79	254,705.81
B) Commitments		
i) Capital		
Estimated amount of contracts on capital account to be executed and not provided for (Net of advances)	1,146.82	2,349.52
Total B	1,146.82	2,349.52
Total (A+B)	256,602.61	257,055.33

NOTE : 39 OPERATING LEASES

Disclosure as required by the IND AS 17, "Leases" as prescribed under Companies (Accounting Standard) Rules, 2015 (as amended) are given below:

- a) The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 35
b) The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
c) Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as

Particulars	AS AT	AS AT
	31-Mar-2018	31-Mar-2017
Total of Future minimum lease payment under non-cancellable operating lease for each of the following periods:		
Not later than one year	249.92	152.81
Later than one year and not later than five years	809.51	325.64
later than five years	1168.24	229.41
Lease payment recognised in Statement of Profit & Loss	240.49	218.92

NOTE : 40 EARNING PER SHARE

Particulars	For the Year Ended	For the Year Ended
	31-Mar-2018	31-Mar-2017
Profit for the year (' in Lakhs)	17290.40	10119.16
Weighted Avg. Number of shares used in computing Earning per Share		
Basic & Diluted	256742040	256742040
Earning per Share (Equity Shares, face value ` 10/-)		
Basic & Diluted (in `)	6.73	3.94

NOTE : 41 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally being carried out through Adani Foundation a Charitable Trust set up by the Group, whereby funds are allocated from the Company. The Charitable Trust carries out the CSR activities as specified in Schedule VII of the Companies Act, 2013 on behalf of the Company. During the year, Company is required to spend CSR expense of ` 283.20 Lakhs (P.Y ` 228.52 Lakhs) as per requirement of Section 135 of Companies Act, 2013 and had spent ` 283.20 Lakhs (P.Y ` 228.52 Lakhs) for the year.

Particulars	Amount Contributed	Amount yet to be contributed	Total
	a) Construction/acquisition of any assets	-	-
b) On purpose other than (a) above	283.20	-	283.20
Total	283.20	-	283.20



NOTE : 42 DISCLOSURES IN RESPECT OF EMPLOYEE BENEFIT OBLIGATIONS

(a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows. (' in Lakhs)

Particulars	AS AT 31-Mar-2018	AS AT 31-Mar-2017
i) Change in Present Value of the defined benefit obligation		
Defined benefit obligation as at the beginning of period	559.91	416.37
Current Service Cost	62.01	55.60
Interest cost	42.52	33.03
Actuarial loss/(gain) - Due to change in Demographic Assumptions	1.56	-
Actuarial loss/(gain) - Due to change in Financial Assumptions	(13.98)	18.34
Actuarial loss/(gain) - Due to experience	(6.10)	36.73
Acquisition Adjustment	(0.34)	1.14
Benefit paid	(10.42)	(3.28)
Defined benefit obligation as at end of the period	635.16	559.91
ii) Change in Fair Value of Plan Assets		
Fair value of plan assets as at the beginning of period	303.73	250.58
Expected return on plan assets	23.07	19.78
Employer's Contributions	64.67	29.70
Actuarial (loss)/gain	0.07	4.13
Benefit paid	(10.42)	(0.45)
Fair value of plan assets as at end of the period	381.13	303.73
iii) Net Asset / (Liability) recognised in the Balance Sheet		
Present value of defined obligation	635.16	559.91
Fair Value of Plan Assets	381.13	303.73
Net Asset / (Liability)	(254.03)	(256.18)
iv) The major categories of plan assets as a percentage of fair value of total plan assets are as follows:		
Policy of Insurance	100%	100%
v) Expense recognised in the Statement of Profit and Loss		
Current Service Cost	62.01	55.60
Interest cost	42.52	33.03
Expected return on the plan assets	(23.07)	(19.78)
	81.46	68.84
vi) Expense recognised in Other Comprehensive Income		
Actuarial (Gains) / Losses	(6.17)	32.60
Return on plan assets, excluding amount recognised in net interest expense	-	-
	(6.17)	32.60

vii) Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

Particulars	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Discount Rate	7.80%	7.60%
Mortality	IALM(2006-08)	IALM(2006-08)
Turnover Rate	1.00%	2.00%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

Particulars	Increase in assumptions		Decrease in assumptions	
	AS AT 31-Mar-2018	AS AT 31-Mar-2017	AS AT 31-Mar-2018	AS AT 31-Mar-2017
Discount Rate (- / + 1%)	566.47	502.38	717.53	628.71
Salary Growth Rate (- / + 1%)	716.54	627.74	566.00	502.08
Attrition Rate (- / + 1%)	634.36	557.63	636.00	562.48
Mortality Rate (- / + 1%)	635.12	559.85	635.20	559.98



viii) Effect of Plan on Entity's Future Cash Flows**a) Funding arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 31,143,620

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2017: 12 years). The expected maturity analysis of gratuity benefits is as follows :

Particulars	AS AT	AS AT
	31-Mar-2010	31-Mar-2017
Less than a year	105.36	100.46
Between 2 to 5 years	92.17	61.99
Between 5 to 10 years	204.65	210.28
Beyond 10 years	1,634.49	1,376.05
	2,036.67	1,637.41

(x) Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

(b) Defined Benefit Contributions

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis.

(c) Other Long Term Employee Benefits

Other long term employee benefits comprise of compensated absences/leaves, which are recognized based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2018 is ₹ 312.53 Lakhs (31st March 2017: ₹ 327.73

NOTE : 43 RELATED PARTY TRANSACTIONS

Pursuant to the IND AS - 24 - Related Party Transactions, as prescribed under Companies (Accounting Standard) Rules, 2015 (as amended) the disclosure relating to transactions entered into with related parties at arm's length basis by the Company, as identified by the management are disclosed as under.

1) Name of related parties & description of relationship**A Ultimate Holding Company**

Adani Enterprises Ltd

B Holding Company

Adani Gas Holding Ltd

C Fellow Subsidiaries (With whom transactions done during the year)

Adani Energy Ltd.

D Joint Venture

Indian Oil-Adani Gas Pvt Ltd

E Common Control Entity

Adani Power Limited

Adani Power (Mundra) Limited

Adani Foundation

Adani Port SEZ Ltd

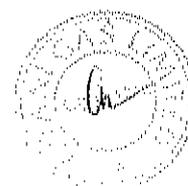
F Key Management Personnel

Mr. Shridhar Tambirani, Whole time Director (upto 28.02.2018)

Mr. Rajeev Sharma, Whole-time Director (w.e.f. 01.03.2018)

Mr. Naresh Poddar, CFO

Mr. Hardik Sanghvi, Company Secretary



ii) Transaction with Related parties

(in Lakhs)

Related Party	Relation	Nature of Transaction	For the Quarter ended 31-03-2018	For the year ended 31-03-2017
Adani Enterprises Ltd.	Ultimate Holding Company	Loan Given	-	45,379.91
		Loan Received back	12,615.06	27,500.00
		Loan taken	-	-
		Transfer of Employee Liabilities from related party	0.24	-
		Loan Repaid	-	-
		Payment of Int. on Loan	-	-
		Receipt of Int. on Loan	-	3,199.90
		Purchase	921.86	-
Services availed	277.60	335.53		
		Sale of PNG	-	-
Adani Energy Ltd.	Fellow Subsidiary	Advances Written Off	189.92	-
Adani Power (Mundra) Ltd	Common Control Entity	Transfer of Employee Liabilities from related party	0.53	-
Adani Foundation	Common Control Entity	Donation	283.20	228.52
Adani Power Ltd	Common Control Entity	Transfer of Employee Liabilities from related party	-	4.50
Adani Port & SEZ Ltd	Common Control Entity	Transfer of Employee Liabilities to related party	1.11	-
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Sale of Inventory	13.10	145.89
		Services Rendered	517.27	640.27
		Security Deposit	-	-
		Investment in equity	3,900.00	3,250.00
Rajeev Sharma	Whole Time Director	Remuneration	17.84	-
Shridhar Tambraparni	Whole Time Director	Remuneration	124.54	136.10

The company is dealing in the CNG Sales & PNG sales to the domestic, industrial & commercial consumers. The above related party transaction does not include the transactions of PNG & CNG Gas sales to the related parties in ordinary course of business, as all such transactions are done at Arm's Length Price only.

As per Para 11(c)(ii) of IND AS-24 "Related Party Disclosures", normal dealings of company with related parties by virtue of public utilities are excluded from the purview of Related Party disclosures.



iii) Balances with Related Parties

(` in Lakhs)

Related Party	Relation	Nature of Transaction	Balance as at 31-03-2018	Balance as at 31-03-2017
Adani Enterprises Ltd.	Ultimate Holding Company	Accounts Payable (Incl provisions)	362.74	103.35
		Other Current Financial Asset	0.24	-
		Other Non Current Financial Assets	0.36	-
		Other Non Current Assets	65.49	-
		Other Current Assets	200.00	-
		Loans	35,891.02	48,506.09
Adani Power Limited	Common Control Entity	Accounts Payable (Incl provisions)	-	4.71
Adani Power (Mundra) Ltd	Common Control Entity	Other Current Financial Asset	0.53	-
Adani Energy Ltd	Fellow Subsidiary	Other Non Current Financial Assets	-	189.89
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Other Non Current Financial Assets	1,000.00	-
		Other Current Financial Asset	377.06	51.87

The amounts outstanding are unsecured and will be settled in cash or kind. No guarantees have been given or received. No expense has been recognised in current year or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

All above figures are net of Taxes wherever applicable.



NOTE : 44 OTHER DISCLOSURE

- a) The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- b) In the opinion of the Management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than fixed assets and non-current investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- c) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the company, as agreed upon between group companies.
- d) The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.
- e) An amount of ₹ 686.88 Lakhs (P.Y. 1029.31 Lakhs) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the company has made application to the excise & service tax dept. for availing this credit of ₹ 686.88 Lakhs in statutory returns.
- The Fixed Assets/ Expenses of the company is understated to the extent of the CENVAT credit taken by the company and the same will be charged to respective assets / revenue if, the claim of the company for CENVAT credit is not accepted by the department.
- f) Company has given certain refundable deposits as security for the performance of work for ongoing projects to various government authorities. As interest rates are not specified in the contracts, the same will accounted for in the year in which it is received.
- g) The company is in the process to review and reconcile its liabilities in connection with Retention Deposits, some of which are long outstanding. Effect of the same will be given in the year when the balances will be reconciled.
- h) Security Deposit include amount of Rs. 209.14 Lakhs and interest due thereon of Rs. 179.37 Lakhs are outstanding for a substantial period of time. The company has been actively negotiating for recovery and the management is reasonably confident of recovery against the same.
- i) During the previous year, the company had suspended/ abandoned certain projects on account of denial of permission from the regulatory authority. Accordingly, expenses incurred on those projects had been written off and were reflected under Exceptional Item.

- j) Value of Stores and Spares consumed:

Particulars	(' in Lakhs)	
	For the Year Ended 31-Mar-2018	For the Year Ended 31-Mar-2017
a) Imported	-	-
b) Indigenous	960.92	1,064.10
Total	960.92	1,064.10

NOTE : 45 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 10th May, 2018.

NOTE : 46 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to confirm to this year's classification. Further the figures have been rounded off to the nearest rupees in Lakhs upto 2 decimal.

The accompanying notes are an integral part of the financial statements



Independent Auditor's Report

To the Members of Adani Gas Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of Adani Gas Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Independent Auditor's Report**To the Members of Adani Gas Limited (Continue)****Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 B 47 (e) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements (vide Note no. 13 to Ind AS Financial Statements) as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. We have relied on the management representation for disclosure of denomination wise details.

For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Place : Ahmedabad

Firm Reg. No. 112054W

Date : 11th May 2017**Anuj Jain**

Partner

Membership No. 119140



The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (c) The title deeds of immovable properties, as disclosed in Note 4 on property, plant and Equipment, to the financial statements, are held in the name of the company, except for leasehold land.
- (ii) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The Company has granted unsecured loans to 1 (One) Company covered in the register maintained under section 189 of the Act. According to the information and explanation given to us and the records produced to us, the terms and conditions of the grant of such loan are not prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest is stipulated and the receipt of the same is regular.
- (c) There are no amounts of loan granted to such companies which are overdue for more than ninety days.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of the loans and investments made, and guarantees provided by it.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (xii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's products/ services to which the said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (xiii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, sales tax, service tax, duty of customs, entry tax, value added tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues as referred to above were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of provident fund, employees' state insurance, sales tax, wealth tax, excise duty, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of service tax, income tax, duty of excise and Municipal Corporation Tax have not been deposited by the Company on account of disputes.



Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (` in Lacs)	Amount paid under protest (` in Lacs)	Period to which the amount relates
Central Excise Act, 1944	Excise Duty	Assessing Authority	199.01	Nil	2010-11 to 2015-16
		Appellate Tribunal	2099.20	396.99	2006-07 to 2014-15
Finance Act, 1994	Service Tax	Assessing Authority	120.92	Nil	2008-09 to 2013-14
		Appellate Authority upto Commissioner's Level	4.85	Nil	2008-09 to 2012-13
		Appellate Tribunal	2424.18	300.65	2005-06, 2008-09 to 2011-12
Income Tax Act	Income Tax	Assessing Authority	0.07	0.07	2009-10 & 2010-11
		Appellate Authority upto Commissioner's Level	240.52	1.97	2012-13 & 2013-14
		Appellate Tribunal	185.79	114.72	2005-06, 2006-07 2008-09 to 2010-11
		High Court	94.44	70.85	2008-09
Municipal Corporation	Property Tax	Supreme Court	2016.10	2016.10	2010-11 to 2015-16

(*) Excluding Interest and Penalty where the notice does not specifies the same.

- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not defaulted in repayment of loans or borrowings from Banks and Financial Institutions. The Company has not taken any loan from government and has not issued any debentures.
- (xv) Based upon the audit procedures performed, the company has not raised moneys by way of Initial public offer or further public offer. In our opinion and as per the information and explanations given by the management, the Funds raised through debt instruments and term loans have been applied for the purpose they were raised.
- (xvi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xvii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.



- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No. 112054W

Place : Ahmedabad

Date : 11th May 2017

Anuj Jain

Partner

Membership No. 119140



Annexure – B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause I of sub-section 3 of section 143 of the Companies Act 2013 (the Act).

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2017 in conjunction with our audit of the Ind AS Financial Statements of the company for the year ended on that date.

Management's Responsibilities 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No. 112054W

Place : Ahmedabad

Date : 11th May 2017

Anuj Jain

Partner

Membership No. 119140



AGL STANDALONE - AUDITED BALANCE SHEET

(Rs in Lakhs)

PARTICULARS	Notes	As at March 31, 2017	As at March 31, 2016
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	80,189.81	72,837.06
Capital Work-In-Progress	5	8,665.03	15,702.13
Goodwill		2,549.18	2,549.18
Other Intangible Assets	4	441.44	357.85
Financial Assets	6		
- Investment		8,500.00	4,500.00
- Other Financial Assets	7	905.92	1,746.27
Income Tax Assets (Net)	8	241.32	197.65
Other Non Current Assets	9	894.41	675.76
Total Non-Current Assets		102,387.11	98,565.90
Current Assets			
Inventories	10	3,868.50	3,869.82
Financial Assets			
- Investments	11	552.67	375.37
- Trade Receivables	12	5,621.12	3,928.05
- Cash & Cash Equivalents	13	1,564.49	1,212.31
- Bank balances other than above	14	2.55	1.70
- Loans	15	48,529.22	30,631.65
- Other Financial Assets	16	56.65	303.38
Other Current Assets	17	3,398.31	4,516.07
Total Current Assets		63,593.51	44,838.35
Total Assets		165,980.62	143,404.25
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	18	25,674.20	25,674.20
Other Equity	19	45,810.36	35,724.51
Total Equity		71,484.56	61,398.71
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
- Borrowings	20	32,067.27	9,419.51
- Other Financial Liabilities	21	20,214.25	18,337.41
Provisions	22	218.17	163.34
Deferred Tax Liabilities (Net)		8,842.63	8,039.22
Other Non Current Liabilities		-	0.00
Total Non-Current Liabilities		61,342.32	35,959.48
Current Liabilities			
Financial Liabilities			
- Borrowings	23	17,000.00	36,600.00
- Trade Payables	24	5,267.45	4,476.90
- Other Financial Liabilities	25	9,859.65	3,440.33
Provisions	26	365.74	267.36
Other Current Liabilities	27	660.90	1,261.47
Income Tax Liabilities (Net)		-	0.00
Total Current Liabilities		33,153.74	46,046.06
Total Equity and Liabilities		165,980.62	143,404.25



AGL STANDALONE - AUDITED STATEMENT OF PROFIT AND LOSS

(Rs in Lakhs)

PARTICULARS	Notes	For the Period Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Revenue from Operations (I)	28	116,244.20	120,522.25
Other Income (II)	29	4,053.64	2,784.48
Total Income (III) (I+II)		120,297.84	123,306.73
EXPENSES			
Cost of Materials consumed	30	26,977.83	30,969.02
Purchase Of Stock In Trade	31	40,888.02	44,329.97
Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	32	40.88	(34.81)
Excise duty on Sale of Compressed Natural Gas (CNG)		7,543.95	7,654.54
Employee benefits expense	33	3,936.43	3,378.53
Finance costs	34	4,426.54	4,267.05
Depreciation and amortization expense	4	5,616.91	5,247.30
Other expenses	35	9,161.50	8,224.95
Total Expenses (IV)		98,592.06	104,036.55
Profit / (Loss) for the year before Exceptional Items & Taxation(V) (III - IV)		21,705.78	19,270.18
Exceptional Items (VI)	36	(6,096.69)	(5,423.71)
Profit / (Loss) before Taxation(VII) (V - VI)		15,609.09	13,846.47
Tax Expense:			
(1) Current Tax		4,654.46	4,708.44
(2) Adjustment of earlier years		14.42	0.00
(3) Deferred Tax		821.05	990.464
Total Tax Expenses (VIII)		5,489.93	5,698.90
Profit / (Loss) for the year(IX) (VII - III)		10,119.16	8,147.57
Other Comprehensive Income (X)			
- Item that will be reclassified to Profit & Loss			
- Item that will not be reclassified to Profit & Loss			
(a) Remeasurement of employee benefit obligations		(50.94)	(23.37)
(b) Income tax relating to these items		17.63	8.089
Total Other Comprehensive Income		(33.31)	(15.28)
Total Comprehensive Income for the Year(XI) (IX + X)		10,085.85	8,132.28
Earning per Equity Share of ₹ 10/- each (XII)			
- Basic		3.94	3.17
- Diluted		3.94	3.17



AGL STANDALONE - AUDITED CASH FLOW STATEMENT

(Rs In Lakhs)

	Particular	For the year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
A.	CASHFLOW FROM OPERATIONS		
	Net Profit Before Tax	15,609.09	13846.47
	Adjustment for:		
	Depreciation/Amortization	5,616.91	5247.30
	Finance Cost	4,426.54	4267.05
	Interest Income	(3,248.55)	(1983.04)
	(Income)/Loss from Sale of Current Investments	(45.02)	(65.48)
	(Gain)/Loss on Sale of Fixed Assets	142.09	196.21
	Actuarial Gain/(Loss) Transferred to OCI	(50.94)	(23.37)
	Provision for Doubtful Debt, Loans & Advances (Net)	33.35	(9.51)
	Liabilities No Longer Required	(29.88)	(79.15)
	Write-off for Doubtful Debt, Loans & Advances		0.00
	Exceptional Item	6,096.69	5423.71
	Total Adjustments to Net Profit	12,941.19	12973.72
	Operating Profit Before Working Capital Changes	28,550.28	26820.19
	Adjustment for:		
	Trade and Other Receivables	(1,479.86)	2911.19
	Inventories	1.32	(320.79)
	Other Financial Assets	(65.17)	142.06
	Other Non Financial Assets	1,118.11	(799.23)
	Trade Payables	620.79	(1059.78)
	Provisions	153.21	48.59
	Other Financial Liabilities	2,052.06	349.29
	Other Non Financial Liabilities	(600.57)	1249.14
	Total Working Capital Changes	1,999.89	2520.47
	Cash Generated From Operations	30,550.17	29340.67
	Direct Tax (Paid)/ Refund	(4,712.55)	(3839.41)
	Net Cash From Operating Activities	25,837.62	25501.26
B.	CASHFLOW FROM INVESTING ACTIVITIES		
	Purchase/Additions to Fixed Assets & Capital Work in Progress	(12,367.83)	(8700.25)
	Capital Advances	(219.00)	29.32
	Sale of Fixed Assets	112.91	9.58
	Redemption/(Investment) in Deposits	(0.85)	(0.09)
	Interest Received	3,254.49	1968.64
	Investment in Joint Venture	(3,250.00)	(4020.00)
	Gain on sale of Mutual Fund	45.02	65.11
	Loans, Advances and Deposits given to/ received back from Related Party	(17,879.91)	(30626.18)
	Net Cash Used in Investing Activities	(30,325.17)	(41273.87)
C.	CASHFLOW FROM FINANCING ACTIVITIES		
	Proceeds/Repayment of Long Term Borrowings	27,031.94	(22544.55)
	Proceeds/ Repayment from Commercial paper	(15,000.00)	30000.00
	Proceeds / Repayment of Short Term Borrowings	(4,600.00)	4600.00
	Repayment of Loans and Advances	0.00	
	Interest Paid	(4,452.65)	(4316.42)
	Security Deposit from Customer & contractors	2,038.22	1454.99
	Dividend Paid (including dividend distribution tax)	0.00	(5253.15)
	Net Cash Used for Financing Activities	5,017.41	3940.87
D.	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	529.85	(11831.73)
	Cash and Cash Equivalents at the beginning of the year	1,587.31	13419.41
	Cash and Cash Equivalents at the end of the year	2,117.16	1587.68
	Components of cash and cash equivalents		
	Cash on hand	10.58	0.00
	Cheque on hand	0.00	0.00
	Balances with Local banks		
	- In Current Account	1,553.91	687.31
	- In Fixed Deposit Account	200.00	525.00
	Highly Liquid mutual Fund	552.67	375.37
	Total cash and cash equivalents	2,117.16	1587.68



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31-Mar-2017

A. Equity Share Capital

(' in Lacs)

Particulars	No. of Shares	Amount
As at 1 st April 2015	256,742,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 1 st April 2016	256,742,040	25,674.20
Changes in the Equity Share Capital	-	-
As at 31 st March 2017	256,742,040	25,674.20

(' in Lacs)

Particulars	Retained Earnings
Balance as at 1 st April 2015 <i>(Includes opening retained earning adjustments)</i>	32,845.38
Adjustments	
Add : Profit for the year	8,147.57
Less : Interim Dividend on Equity Shares	(4,364.62)
Less : Tax on Interim Dividend	(888.53)
Other Comprehensive Income	
Remeasurement of employee benefit obligations	(15.28)
As at 31 st March 2016	35,724.51
Balance as at 1 st April 2016 <i>(Includes opening retained earning adjustments)</i>	35,724.51
Adjustments	
Add : Profit for the year	10,119.16
Other Comprehensive Income	
Remeasurement of employee benefit obligations	(33.31)
As at 31 st March 2017	45,810.36

The accompanying notes are an integral part of the financial statements
As per our attached report of even date



Notes to financial statements for the Period ended 31-Mar-2017

NOTE : 1 CORPORATE INFORMATION

Adani Gas Limited (AGL) was originally incorporated as Adani Energy (U.P.) Limited on 5th August 2005 as Public Limited Company under the Companies Act 1956 vide CIN U40100GJ2005PLC046553 & is having registered address at 'Adani House', Nr. Mithakali Cross Roads, Ahmedabad & is having corporate office at '8th Floor', Heritage House, Nr. C.N.Vidhaya, Umanpura, Ahmedabad - 380009. Subsequently Adani Energy (U.P.) Pvt. Ltd. was renamed as Adani Gas Limited vide Fresh Certificate of Incorporation consequent upon change of name dated 8th January, 2010. It is a wholly owned subsidiary of Adani Gas Holding Limited. The company carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users. The company is presently operating in Ahmedabad, Vadodra, Faridabad and Kurja.

NOTE : 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION & PRESENTATION OF THE ACCOUNTS : -**a) STATEMENT OF COMPLIANCE**

Adani Gas Limited (The Company) has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2015, in accordance with the notification issued by the Ministry of Corporate Affairs.

Upto the year ended March 31, 2015, the Company has presented its financial statements in accordance with the requirements of previous GAAP, which includes the Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1st April, 2015. All the previous period numbers in the financial statements for 31st March, 2015 have been restated as per notified Ind AS. These are Company's first Ind AS financial statements.

b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation of shareholders' equity as at 31st March, 2015 and 1st April, 2015 and of the comprehensive net income for the year ended 31st March, 2015 as reported under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS financial statements.

Refer to note 3 for information on how the Company has adopted Ind AS. The Financial statements are presented in INR except when otherwise stated.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions:

The estimates at 1st April, 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies)

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2015, the date of transition to Ind AS and as of 31st March, 2016.

Key Sources of estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimates and assumptions are required in particular for:**i) Useful life of tangible assets:**

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

ii) Recognition of deferred tax

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including estimates of temporary differences reversing on account of available benefits from Income Tax Act, 1961. Deferred tax assets recognized to the extent of the corresponding deferred tax liability. (refer note 37)



iii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 38 (b).

iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans (Gratuity)

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.

d) CURRENT & NON-CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

e) INVENTORIES

- i) Inventories are valued at lower of cost or net realisable value.
- ii) Stores and Spares are valued at Cost or NRV which ever is less. Cost is determined on Weighted Average basis & comprises of expenditure incurred in the normal course of business in bringing inventories to their location & condition including appropriate overheads.
- iii) Quantity of CNG in cascades and Natural Gas in pipelines are estimated on a volumetric basis & are valued on Weighted Average basis considering lower of cost or net realisable value.
- iv) Net Realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

f) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

g) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

h) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

- Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

- However, sales tax/ value added tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

- i) Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly for domestic customers, fortnightly for commercial, Non commercial & Industrial Customer.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Gas supplied to domestic customers for which billing have not been done as per the billing cycle is treated as stock and revenue for the same is accounted in the year in which Sales are billed
- vi) Dividend Income from investments is recognised when the Company's right to receive payment is established.



i) PROPERTY, PLANT & EQUIPMENTS

- i) Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses & net of Taxes (net of Convat and VAT credit wherever applicable)
- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- iii) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss for the period during which such expenses are incurred.
- iv) Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.
- v) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- vi) The Natural Gas (NG) distribution systems for PNG connections commissioned on commencement of supply of gas to the individual consumers.
- vii) The CNG outlets are commissioned on commencement of sale of CNG to the customers.
- viii) An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.
- ix) The cost of Fixed Assets not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- x) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective fixed assets.

j) INTANGIBLE ASSETS

- i) Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.
 - ii) Goodwill acquired as a result of demerger of CGD business from Adani Energy Ltd is measured at net value as at 31-Mar-15. As per the requirements of Ind AS, Goodwill shall not be amortization but will be checked for impairment, at regular intervals of time when there are certain indications that the operations of the company or any of its unit is impaired.
- For transition to Ind AS, company has elected to continue with the carrying value of all of its Intangible Assets recognised as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Intangible Assets

k) DEPRECIATION

- i) Depreciation of fixed assets is

Assets Class	Estimated Useful Life
Compressors	8 years
Dispensers	8 years
Canopy	10 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years
Leased Hold Land	Over the period of lease
Right of Use of Land	Over the period of Rights
Mobile Devices	100% in the year of incurrence

- ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal

l) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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



Financial Assets

Subsequent Measurement

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under:

- > at amortised cost
- > fair value through profit and loss account
- > debt instruments at amortized cost

Debt Instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Impairment of financial assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables

Under this approach, the Company tracks the trade receivables which are over due. For the receivables which are undisputed provision for impairment is taken considering the credit worthiness of the customer. For the disputed cases the impairment provision is made considering the current status & level of litigation.

All the impairment provision on the trade receivables & other financial assets are considered after deducting the security deposits & the Bank Guarantees & Corporate Guarantees received from the end customers.

Equity Instruments

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

Financial Liabilities

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

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.



Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

m) FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- in the principal market, or
- in the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

n) FOREIGN CURRENCY TRANSACTIONS**i) Initial Recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

ii) Measurement of foreign currency monetary items at the Balance Sheet date

- Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

- Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

iii) Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

o) EMPLOYEE BENEFITS

Employee benefits includes gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

A) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

B) Post-Employment Benefits**i) Defined Benefit Plans**

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.



The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Financial statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

ii) Defined Contribution Plans

Retirement benefits in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

iii) Other Long-term employee benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

- iv) The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer it's settlement for twelve month after the reporting date.

p) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

q) SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting to management. For management purposes, the Company is organised into business units based on its products and services.

Operating results of the business units are monitored separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements.

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

r) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

s) LEASES

- i) The determination of whether an arrangement is / or contains a lease is based on the substance of the arrangement at the inception of the lease. A lease is classified at the inception date as a finance lease or an operating lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- ii) Lease arrangement where risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as Operating Leases. The company's leasing arrangements are in respect of operating lease for office premises. The aggregate lease rent payable is charged as rent including lease rentals.

t) EARNING PER SHARE

Basic EPS has been computed by dividing the profit for the year available to attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the accounting year. Diluted EPS has been computed by dividing the profit attributable to equity holders of the parent (after adjusting for costs associated with dilutive potential equity shares) by the weighted average number of equity shares and dilutive potential equity shares outstanding during the accounting year.

u) TAXES ON INCOME

i) DEFERRED TAXATION

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.



ii) CURRENT TAXATION

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

v) IMPAIRMENT OF ASSETS**i. Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

w) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

x) EXCEPTIONAL ITEMS

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.



3 First-time adoption of Ind-AS

These are Company's first financial statements prepared in accordance with Ind AS. For all periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP)

The Company has prepared these financial statements for the year ending on 31st March 2017, together with the comparative period data, by applying Ind AS compliant policies described in the 'Summary of Significant Accounting Policies'. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2015, which is Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2015 and the financial statements as at and for the year ended 31st March 2016.

A) Options availed on the first time adoption of Ind AS 101

- i) Ind AS 103 Business Combinations has not been applied to acquisitions of Companies which are considered businesses for Ind AS, or of interests in associates and joint ventures that occurred before 1 April 2015. Use of this exemption means that the previous GAAP carrying amounts of assets and liabilities, which are required to be recognised under Ind AS, is their deemed cost at the date of the transition. After the date of the transition, measurement is in accordance with Ind AS. Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS statement of financial position. The Company did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.

Ind AS 101 also requires that the previous GAAP carrying amount of goodwill must be used in the opening Ind AS statement of financial position (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Company has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary at 1 April 2015.

- ii) The Company has not applied Ind AS 21 retrospectively to fair value adjustments and goodwill from business combinations that occurred before the date of transition to Ind AS. Such fair value adjustments and goodwill are treated as assets and liabilities of the Company rather than as assets and liabilities of the acquiree. Therefore, those assets and liabilities are already expressed in the functional currency of the
- iii) The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment & other tangible assets as per the statement of financial position prepared in accordance with previous GAAP.
- iv) The Company has evaluated that it is impracticable to apply Appendix A to Ind AS 11 retrospectively, and accordingly elected to apply exemption under Ind AS 101, use previous carrying amounts of intangible assets, after testing for impairment, as their carrying amounts at the date of transition to Ind AS.
- v) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

vii) Estimates :

The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

> Impairment of financial assets based on the risk exposure and application of ECL model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016.

viii) Classification and measurement of financial assets :

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

ix) Impairment of non-financial assets :

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

x) Derecognition of financial assets and financial liabilities :

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

B) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity and total comprehensive income. The following tables represent the reconciliations from previous GAAP to Ind AS

Reconciliation of Equity as at 1st April 2015 and 31st March 2016:

(` in Lacs)

Particulars	As At	
	31 March 2016	01 April 2015
Equity as per Previous GAAP	39,473.86	32,818.91
Adjustments		
- Opening Retained Earning Adjustments	26.47	40.48
- Ancillary Cost of Borrowings	(18.81)	-
- MTM Gain on Mutual Fund	0.37	-
- Reversal of Amortisation of Goodwill	169.95	-
- Income towards the Corporate Guarantee given to Banks on behalf of IOAGPL	191.33	-
- Actuarial Gain / Loss transferred to Other Comprehensive Income	23.37	-
- Deferred Tax adjustment on IND AS adjustments	(126.74)	(14.01)
Total Adjustment to the Equity	265.93	26.47
Other Comprehensive Income	(23.37)	-
Deferred Tax on above OCI item	8.09	-
Equity as reported under IND AS	39,724.51	32,845.38



Reconciliation of Balancesheet

(' in Lacs)

Particulars	As at 31-March-2016			As at 01-April-2015		
	IGAAP	INDAS Adjustments	INDAS	IGAAP	INDAS Adjustments	INDAS
ASSETS						
Non Current Assets						
Property, Plant & Equipment	72,837.06		72,837.06	70,112.66		70,112.66
Capital Work-In-Progress	15,702.13		15,702.13	20,582.21		20,582.21
Goodwill on consolidation	2,579.23	169.95	2,549.18	2,549.18		2,549.18
Intangible Assets	357.85		357.85	378.71		378.71
Financial Assets						
(i) Non Current Investments	4,500.00		4,500.00	1,230.00		1,230.00
(ii) Non Current Loans	-		-	-		-
(iii) Other Non Current Financial Assets	1,746.27		1,746.27	1,119.89		1,119.89
Income Tax Assets (net)	197.65		197.65	1,066.68		1,066.68
Other Non-current Assets	675.76		675.76	704.37		704.37
	98,395.95	169.95	98,565.90	97,743.69	-	97,743.69
Current Assets						
Inventories	3,869.82		3,869.82	3,549.03		3,549.03
Financial Assets						
(i) Current Investments	375.00	0.37	375.37	-		-
(ii) Trade Receivables	3,928.05		3,928.05	6,333.33		6,333.33
(iii) Cash & cash equivalents	1,212.31		1,212.31	13,419.42		13,419.42
(iii) Bank Balances other than above	1.70		1.70	1.61		1.61
(iv) Current Loans	30,631.65		30,631.65	11.47		11.47
(iv) Other Financial Asset	112.05	191.33	303.38	801.91		801.91
Other Current Assets	4,516.07		4,516.07	3,717.55		3,717.55
	44,646.65	191.70	44,838.35	27,034.32	-	27,034.32
TOTAL	143,042.60	361.65	143,404.25	125,578.01	-	125,578.01
EQUITY AND LIABILITIES :						
SHAREHOLDERS' FUNDS						
Equity Share Capital	25,674.20		25,674.20	25,674.20		25,674.20
Other Equity	35,473.86	250.65	35,724.51	32,818.91	26.47	32,845.38
Total Equity	61,148.06	250.65	61,398.71	58,493.11	26.47	58,519.58
LIABILITIES						
Non Current Liabilities						
Financial Liabilities						
(i) Borrowings	9,441.18	(21.67)	9,419.51	25,453.30	(40.48)	25,412.82
(ii) Other Financial Liability	18,337.41		18,337.41	16,589.29		16,589.29
Provisions	163.34		163.34	233.27		233.27
Deferred Tax Liabilities (net)	7,906.95	132.67	8,039.22	7,042.82	14.01	7,056.83
Other Long Term Non Financial Liabilities						
	35,848.48	111.00	35,959.48	49,318.68	-26.47	49,292.21
Current Liabilities						
Financial Liabilities						
(i) Borrowings	36,600.00		36,600.00	2,000.00		2,000.00
(ii) Trade Payables	4,476.90		4,476.90	5,616.18		5,616.18
(iii) Other Financial Liability	3,440.33		3,440.33	9,089.02		9,089.02
Provisions	267.36		267.36	148.84		148.84
Other Current Non Financial Liabilities	1,261.47		1,261.47	912.18		912.18
Income Tax Liabilities (net)						
	46,046.06	-	46,046.06	17,766.22	-	17,766.22
TOTAL	143,042.60	361.65	143,404.25	125,578.01	-	125,578.01



Reconciliation of Profit & Loss for the year ended 31st March 2016: (₹ in Lacs)

Particulars	As at 31-March-2016		
	IGAAP	INDAS Adjustments	INDAS
Revenue			
Revenue from Operations	112,867.71	7,654.54	120,522.25
Other Income	2,592.78	191.70	2,784.48
Total Revenue	115,460.49	7,846.24	123,306.73
Expenses			
Cost of Materials Consumed	50,969.02		50,969.02
Purchase of Stock-in-Trade	44,329.97		44,329.97
Changes in Inventories of Finished goods, Stock-in-Trade & work-in-progress	(34.81)		(34.81)
Excise duty on Sale of Compressed Natural Gas (CNG)	-	7,654.54	7,654.54
Employee benefits Expense	3,401.90	(23.37)	3,378.53
Finance Costs	4,248.24	18.81	4,267.05
Depreciation & Amortization Expense	5,417.25	(169.95)	5,247.30
Operating and Other Expenses	8,224.95		8,224.95
Total Expenses	86,556.52	7,480.04	104,036.56
Profit before Exceptional Items and tax	18,903.97	366.20	19,270.18
Add/(Less) : Exceptional Items	(5,423.71)	-	(5,423.71)
Profit for the year before tax	13,480.26	366.20	13,846.47
Tax Expense:			
Current Tax (including MAT payable) Adjustment for earlier year	4,708.44		4,708.44
Deferred Tax	863.72	126.74	990.46
MAT Credit Entitlement			
Total Tax Expense	5,572.16	126.74	5,698.90
Profit (Loss) for the year	7,908.10	239.46	8,147.56
Other Comprehensive Income			
Item that may not be reclassified to Profit & Loss			
(a) Remeasurement of Post-employee benefit obligation	-	(23.37)	(23.37)
(b) Income tax relating to these items		8.09	8.09
Total Other Comprehensive Income		(15.28)	(15.28)
Total Comprehensive Income for the Year	7,908.10	224.18	8,132.28

Reconciliation of Total comprehensive income for the year ended 31st March 2016:

Particulars	₹ in Lacs)	
	Previous GAAP	For the year 31 March 2016
Previous GAAP		7,908.10
(Ind AS) Adjustments Increase (decrease):		
- Finance charges on secured Loan are amortised & charged to P&L over the tenure of loan		(18.81)
- Employee future benefits - actuarial gains and losses (Net of Tax)		23.37
- Income for the Corporate Guarantee given to Bankers on behalf of Indian Oil Adani Gas Pvt. Ltd.		191.33
- MTM gain on Mutual Fund		0.37
- Goodwill no longer amortised as from the date of transition		169.95
- Deferred Tax on above Adjustment		(126.74)
Total adjustment to profit or loss		239.46
Profit or loss under Ind AS		8,147.56
Other comprehensive Income		(23.37)
Income Tax on above adjustment		8.09
Total comprehensive income under Ind AS		8,132.28



Footnotes to the reconciliation of Equity, Profit & loss, Balancesheet for the year ended 31st March, 2016 :

a) Remeasurement cost of net defined liability : Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

b) Fair valuation for Financial Assets and Financial Liabilities :

i) Fair valuation for Financial Assets and Financial Liabilities : The Company has valued financial assets and Financial Liabilities at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss Account.

ii) Borrowings (part of Financial Liabilities) : Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenure of borrowings and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

c) Goodwill amortised till date in IGAAP shall be reviewed for impairment.

d) Income recognised towards the Corporate Guarantee given to various Bankers by Adani Gas Ltd. on behalf of Indian Oil Adani Gas Pvt. Ltd. for the issuance of Bank Guarantee to PNORB.

e) The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

NOTE 4 PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(' In Lacs)

PARTICULARS	Property, Plant & Equipments										Intangible Assets		
	Freehold Land	Leasehold Land	Building	Office Equipments	Computer	Vehicles	Furniture	Stores Equipment	Plant & Machinery	Total	Computer Software	Right of Use of Land	Total
Year Ended 31 March 2016													
Gross Carrying Value													
Opening Gross Carrying Value	1,652.96	4,402.30	4,336.62	156.11	88.11	28.81	708.52	36.08	58,568.85	73,112.85	267.03	11.71	376.22
Addition during the Year	0.52	606.00	89.37	40.40	-	-	78.02	-	2,201.23	8,015.71	140.03	-	140.03
Deletion during the Year	-	-	55.34	1.30	0.00	3.06	0.22	-	153.24	273.28	-	-	-
Closing Gross Carrying Value	1,653.98	4,408.30	4,370.65	197.21	88.11	25.75	886.51	36.08	68,660.83	77,039.11	607.03	11.71	919.64
Accumulated Depreciation													
Opening Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation during the year	-	53.41	64.65	75.41	58.31	0.06	202.99	4.26	4,617.42	9,045.53	156.41	5.38	161.79
Disposals	-	-	0.70	0.35	-	1.92	0.48	-	15.69	17.47	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	53.41	65.37	75.06	58.31	1.92	203.93	4.26	4,602.34	9,044.05	156.41	5.38	161.79
Net Carrying Amount	1,653.98	4,354.89	4,305.28	122.15	29.80	23.83	682.58	31.82	64,058.49	70,005.06	450.62	6.33	757.85
Year Ended 31 March 2017													
Gross Carrying Value													
Opening Gross Carrying Amount	1,653.98	4,408.30	4,370.65	197.21	88.11	25.75	886.51	36.08	68,660.83	77,039.11	607.03	11.71	919.64
Addition during the Year	-	38.55	455.31	150.98	19.83	-	35.87	-	12,104.15	13,050.29	282.00	-	282.00
Deletion during the Year	-	79.45	147.03	0.11	0.45	-	34.92	-	28.20	390.16	-	-	-
Transfer	-	-	-	0.90	(13.75)	-	5.11	(30.00)	-	35.29	-	-	-
Closing Gross Carrying Value	1,653.98	4,367.39	4,248.64	349.19	74.36	25.75	877.59	-	77,792.88	90,669.21	769.03	11.71	777.63
Accumulated Depreciation													
Opening Accumulated Depreciation	-	53.41	65.37	75.06	58.31	0.97	202.63	4.26	4,602.34	9,044.05	156.41	5.38	161.79
Depreciation during the year	-	52.32	104.96	79.10	55.60	6.08	158.01	-	4,905.64	5,442.51	169.60	4.00	174.40
Disposals	-	7.70	3.71	0.09	0.85	-	12.27	-	10.89	35.36	-	-	-
Transfer	-	-	-	0.30	(10.0)	-	0.71	(4.26)	4.26	-	-	-	-
Closing Accumulated Depreciation	-	63.43	174.12	154.40	115.48	6.95	247.08	-	9,591.59	10,479.30	326.01	9.38	335.39
Net Carrying Amount	1,653.98	4,293.97	4,074.52	194.79	58.88	18.80	630.51	-	68,201.29	80,189.91	443.02	2.33	442.24

Gross book and accumulated depreciation details as on 1st April, 2015 under previous GAAP

PARTICULARS	Property, Plant & Equipments										Intangible Assets		
	Freehold Land	Leasehold Land	Building	Office Equipments	Computer	Vehicles	Furniture	Stores Equipment	Plant & Machinery	Total	Computer Software	Right of Use of Land	Total
Gross Book	1,652.96	4,273.65	4,878.30	370.12	249.65	86.45	1,572.68	27.31	66,953.25	100,589.26	1,260.27	85.70	3,590.91
Accumulated depreciation	-	373.25	409.76	214.02	198.24	2.84	704.00	21.23	28,392.81	21,479.80	902.37	43.90	1,492.23
Net Carrying Amount	1,652.96	3,900.40	4,468.54	156.10	51.41	83.61	868.68	6.08	38,560.44	79,109.46	357.90	41.80	2,098.68

* Lease hold land is amortized over a period of ten years. Amount of amortisation for the current year is shown in depreciation column.

Notes:

a) For Securities refer note no 20

b) IMPAIRMENT OF FIXED ASSETS

Management has carried out a review of the carrying value of assets as at 31.03.2017 in accordance with the provisions of Ind AS - 36 Impairment of Assets. Based on this review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.



Notes to financial statements for the year ended 31-Mar-2017

NOTE : 5 CAPITAL WORK IN PROGRESS

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Capital Work In Progress	8,665.03	14,150.83	17,504.38
Finance Charges	-	1,551.30	3,077.83
	8,665.03	15,702.13	20,582.21

NOTE : 6 INVESTMENT IN JOINT VENTURE

(' in Lacs)

PARTICULAR	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Unquoted-Trade Investment In Joint Venture			
8,50,00,000 (P.Y 4,50,00,000) shares of Indian Oil -Adani Gas Pvt. Ltd. of ₹ 10/- each	8,500.00	4,500.00	1,230.00
	8,500.00	4,500.00	1,230.00

NOTE : 7 OTHER NON CURRENT FINANCIAL ASSETS

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Other Receivable from Related Parties	189.89	189.89	176.86
Security Deposits			
Unsecured, considered good			
- With Government	197.54	237.01	471.41
- With Others	350.06	415.17	333.95
Interest Accrued and due on deposit	165.40	150.81	133.77
Interest Accrued and not due on deposit	3.03	3.39	3.90
Share application money pending allotment			
JV-Indian Oil-Adani Gas Pvt. Ltd	-	750.00	-
	905.92	1,746.27	1,119.89

NOTE : 8 INCOME TAX ASSETS (NET)

(Unsecured, Considered Good)

(' in Lacs)

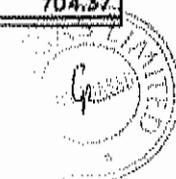
PARTICULAR	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Advance Payment of Income Tax (Net)	241.32	197.65	1,066.68
	241.32	197.65	1,066.68

NOTE : 9 OTHER NON CURRENT ASSETS

(Unsecured, Considered Good)

(' in Lacs)

PARTICULAR	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Balance with Government Authorities	650.74	651.09	650.38
Advance against Expenses			
Unsecured, considered good			
- Capital	243.67	24.67	53.99
	894.41	675.76	704.37



NOTE : 10 INVENTORIES

(At cost or net realisable value whichever is lower)

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Stock in trade / Finished Goods	738.63	779.51	744.70
Stores and spares	3,129.87	3,090.31	2,804.33
	3,868.50	3,869.82	3,549.03

NOTE : 11 CURRENT INVESTMENTS

(' In Lacs)

PARTICULAR	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Unquoted Mutual Funds			
261,485,006 units of Rs. 10 each DHFI, Pramerica Insta Cash Plus Fund (Direct) - Growth Option	552.67	-	-
9,05,939,338 units of Rs. 10 each in JM High Liquidity Fund (Direct) - Growth Option	-	375.37	-
	552.67	375.37	-

NOTE : 12 TRADE RECEIVABLES

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
(i) Unsecured, considered good	5,621.12	3,928.05	6,333.33
(ii) Doubtful	73.27	39.92	49.44
	5,694.39	3,967.97	6,382.77
(iii) Provision for doubtful receivable	(73.27)	(39.92)	(49.44)
	5,621.12	3,928.05	6,333.33

NOTE : 13 CASH AND CASH EQUIVALENTS

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Cash & Cash Equivalents			
i) Balances with banks			
- In Current Account	1,353.91	687.31	6,121.16
- In Fixed Deposit Account (Due within 3 Months)	200.00	525.00	6,518.59
- In Margin Deposit Account (Due within 3 Months)	-	-	-
(ii) Cash on hand	10.58	-	0.42
(iii) Cheque on hand	-	-	779.25
	1,564.49	1,212.31	13,419.42

As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification G.S.R 308(E) dated 30th March 2017, every company shall disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Said details are as under

Particulars	SBN's	Other Denomination Notes	Total
Closing cash in hand as at 08-Nov-16	1,442,500	18,252	1,460,752
+ Permitted Receipts	4,085,500	68,788,893	72,874,393
- Permitted Payments	-	-	-
- Amount deposited in Banks	5,528,000	67,310,789	72,838,789
Closing cash in hand as on 30-Dec-16	-	1,496,356	1,496,356



NOTE : 14 OTHER BANK BALANCES

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Deposits with original maturity over 3 months but less than 12 months	2.55	1.70	1.61
	2.55	1.70	1.61

NOTE : 15 CURRENT LOANS

(Unsecured, considered good)

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Loans to related parties	48,506.09	30,626.18	-
Loan to employees	23.13	5.47	11.47
	48,529.22	30,631.65	11.47

NOTE : 16 OTHER FINANCIAL ASSETS

(Unsecured, considered good)

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Interest Accrued and Not Due on deposit	4.78	4.95	7.08
Other Receivables from Related Parties	51.87	298.43	794.83
	56.65	303.38	801.91

NOTE : 17 OTHER CURRENT ASSETS

(Unsecured, considered good)

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Advance against expenses	120.34	217.65	79.86
Balance with Government Authorities			
Excise & Service Tax	994.84	1,128.58	972.31
VAT & CST	1,895.12	2,551.09	2,635.84
Prepaid Expenses	388.01	618.75	29.54
	3,398.31	4,516.07	3,717.55



NOTE : 18 SHARE CAPITAL

(' In Lacs)

Particulars	AS AT 31-Mar-2017		AS AT 31-Mar-2016	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
AUTHORISED Equity Shares of ' 10/- each	260000000	26,000.00	260000000	26,000.00
	260000000	26,000.00	260000000	26,000.00
ISSUED, SUBSCRIBED & PAID-UP Equity shares of ' 10/- Each Fully Paid up	256742040	25,674.20	256742040	25,674.20
	256742040	25,674.20	256,742,040	25,674.20
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity shares				
Particulars	AS AT 31-Mar-2017		AS AT 31-Mar-2016	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
At the beginning of the period issued during the period	256742040	25,674.20	256742040	25,674.20
Outstanding at the end of the period	256742040	25,674.20	256742040	25,674.20
(b) Terms/ rights attached to equity shares				
The company has only one class of equity shares having par value of ' 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates				
Out of equity shares issued by the company, shares held by its holding company are as below:				
Equity shares of ' 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2017		AS AT 31-Mar-2016	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
Adani Enterprises Ltd (along with its nominees)	-	-	256742040	25,674.20
Adani Gas Holdings Ltd (along with its nominees)	256742040	25,674.20	-	-
(d) Details of shareholders holding more than 5% shares in the company				
Equity shares of ' 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2017		AS AT 31-Mar-2016	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Enterprises Ltd (along with its nominees)	-	-	256742040	25,674.20
Adani Gas Holdings Ltd (Along with its nominees)	256742040	25,674.20	-	-

NOTE : 19 OTHER EQUITY

(' In Lacs)

PARTICULARS	AS AT	AS AT	AS AT
	31-Mar-2017	31-Mar-2016	1-Apr-2015
SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS			
Balance as per last financial statements	35,724.51	32,845.38	32,818.91
Add : Ind AS adjustments to Retained Earnings	-	-	26.47
Add : Profit for the year	10,119.16	8,147.57	-
Less : Interim Dividend on Equity Shares	-	4,364.62	-
Less : Tax on Interim Dividend	-	888.53	-
Less : Depreciation Adjustments in Retained Earnings	-	-	-
Less : Other Comprehensive Income	(33.31)	(15.28)	-
	45,810.36	35,724.51	32,845.38



NOTE : 20 LONG TERM BORROWINGS

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Term loans - Secured			
From Financial Institution	-	-	6,553.30
From Bank	32,067.27	9,419.51	14,059.52
Other Loans - Unsecured			
From related parties (Holding Company)	-	-	4,800.00
	32,067.27	9,419.51	25,412.82

Sub Notes:

i) Security Details:

Rupee Term Loans from bank is secured by

- First exclusive charge of Immovable Property of Ahmedabad and hypothecation charge over Plant and Machinery and other assets of the company at Ahmedabad, Vadodara, Khurja & Faridabad plants.
- Second *pari passu* charge over all present & future current assets of AGL, uncalled capital present & future, goodwill, cash flows, receivables, book debt & revenue of Adani Gas Ltd.

ii) Repayment terms:

- a) Long Term Rupee Term Loan of ' 9,441.18 Lacs is repayable in 15 quarterly installments of ' 629.41 lacs each beginning from 14th April 2017 and said loan carries Interest Rate equal to the benchmark rate, presently @ 9.35% and is payable on monthly basis.
- b) Long Term Rupee Term Loan of ' 13500 Lacs is repayable at 10% every year from FY 17-18 to FY 21-22 and then remain 50% in rest 3 years i.e. till FY 24-25 and said loan carries Interest Rate equal to the benchmark rate, presently @ 8.45% and is payable on monthly basis.
- c) Long Term Rupee Term Loan of ' 15000 Lacs is repayable in 18 Quarterly Installment of ' 833.33 Lacs each and said loan carries Interest Rate equal to the benchmark rate, presently @ 9.10% and is payable on monthly basis.
- d) For Current maturities of Long term borrowing refer Note No-25 "Other Current Financial Liabilities"

NOTE : 21 OTHER LONG TERM FINANCIAL LIABILITIES

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Retention Money	131.75	293.13	-
Security Deposit From Customers	20,082.50	18,044.28	16,589.29
	20,214.25	18,337.41	16,589.29

Note:

- i) Deposits from all Customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as long term liabilities.
- ii) Retention Money is considered as long term liabilities considering the long term contracts with them.

NOTE : 22 LONG TERM PROVISIONS

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Provision for Gratuity	-	-	99.36
Provision for Leave Encashment	218.17	163.34	133.91
	218.17	163.34	233.27



NOTE : 23 SHORT TERM BORROWINGS

PARTICULARS	(` in Lacs)		
	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Loan repayable on demand			
From Banks - Secured			
Cash Credit			
Unsecured Borrowings			
Commercial Paper	15,000.00	30,000.00	
Demand Loan - Secured			
From Bank		3,600.00	
Term Loan - Unsecured			
From Bank	2,000.00	3,000.00	2,000.00
	17,000.00	36,600.00	2,000.00

NOTE : 24 TRADE PAYABLE

PARTICULARS	(` in Lacs)		
	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Trade payables			
- Micro, small and medium enterprise (Refer Note 39(a))	3.08	2.28	0.08
- Others	5,264.37	4,474.62	5,616.10
	5,267.45	4,476.90	5,616.18

Note: Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

- | | | | | |
|------|---|---|---|---|
| i) | Principal amount remaining overdue unpaid to any supplier as at the end of the accounting year | - | - | - |
| ii) | Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - | - |
| iii) | The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date | - | - | - |
| iv) | The amount of interest due and payable for the year | - | - | - |
| v) | The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - | - |
| vi) | The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - | - |

NOTE : 25 OTHER CURRENT FINANCIAL LIABILITIES

PARTICULARS	(` in Lacs)		
	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Current maturities of long term debt (refer sub note of note 5 for security offered)			
- Loan from Financial Institution			3,276.65
- Loan from Bank	5,842.90	1,458.82	4,733.41
Total	5,842.90	1,458.82	8,010.06
Interest accrued and due on borrowings			2.39
Interest accrued but not due on borrowings	82.33	108.44	155.42
Security Deposit from Contractor	160.11	312.20	316.29
Other payables			
- Creditors for Capital Goods	3,070.61	1,403.84	442.67
- Retention Money	703.66	156.62	162.21
- Others	0.04	0.41	(0.02)
	9,859.65	3,440.33	9,089.02



NOTE : 26 PROVISIONS

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Provision for Gratuity (Refer Note 31)	256.18	167.79	66.50
Provision for Leave Encashment	109.56	99.57	82.34
	365.74	267.36	148.84

NOTE : 27 OTHER CURRENT LIABILITIES

(' in Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Statutory Dues Payable (includes TDS, VAT, PF etc.)	521.14	684.47	670.98
Customer Advances	139.76	577.00	241.20
	660.90	1,261.47	912.18



NOTE : 28 REVENUE FROM OPERATIONS

(' in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Sale of Goods		
(i) CNG Sales	61,387.01	61,913.51
(ii) PNG Sales	53,480.45	57,420.35
Sale of Services		
(i) Connection Income	604.19	525.46
(ii) Transportation Income	242.56	243.55
Other Operating revenues	529.99	419.38
	116,244.20	120,522.25

NOTE : 29 OTHER INCOME

(' in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Interest Income	3,248.55	1,983.04
Foreign Exchange Gain	2.43	3.18
Net Gain on sale of Current Investments	45.02	65.48
Liabilities no longer required	29.88	79.15
Sale of Stores and Spares	426.67	407.57
Other non-operating income	53.95	54.73
Corporate Guarantee Income	247.14	191.33
	4,053.64	2,784.48

NOTE : 30 COST OF RAW MATERIALS CONSUMED

(' in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Opening Stock	-	-
Add : Transfer from Purchase of Stock in trade	26,977.83	30,969.02
	26,977.83	30,969.02
Less : Closing Stock	-	-
	26,977.83	30,969.02



NOTE : 31 PURCHASE OF STOCK IN TRADE

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Purchase of Stock in Trade	67,865.85	75,298.99
Less: Transfer for CNG Conversion	26,977.83	30,969.02
	40,888.02	44,329.97

NOTE : 32 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Opening stock of Finished Goods / Stock in Trade	779.51	744.70
Less: Closing Stock of Finished Goods / Stock in Trade	738.63	779.51
	40.88	(34.81)

NOTE : 33 EMPLOYEE BENEFIT EXPENSE

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Salaries and wages	2,469.03	1,958.66
Contractual Manpower Expenses	1,001.64	1,076.54
Contribution to provident and other funds	189.68	155.08
Staff Welfare Expenses	276.08	188.25
	3,936.43	3,378.53

NOTE : 34 FINANCE COSTS

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
I. Interest		
Interest on Term Loan	1,624.75	2,053.94
Interest on Security Deposit	292.87	285.00
Interest on Commercial Paper	2,359.70	1,585.55
Interest on Income Tax	27.16	-
Interest to Municipal Corporation	-	0.02
Interest on Inter Corporate Deposit	-	78.18
Interest Others	34.62	40.24
II. Other Borrowing Cost		
Bank Charges	87.44	224.12
	4,426.54	4,267.05



NOTE : 35 OTHER EXPENSES

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Consumption of stores and spare parts (Note - 39 (i))	1,064.10	1,271.27
Power and fuel	2,268.71	2,537.78
Transportation Charges	308.07	290.12
Security Expenses	123.81	107.47
Commission & Brokerage	567.77	524.81
Rent	218.92	253.41
Repairs to buildings	146.55	80.85
Repairs to machinery	1,233.83	833.08
Repairs to Others	151.71	117.47
Insurance	47.35	45.15
Rates and taxes	366.04	402.18
Legal and Professional Fees	787.49	539.21
Travelling and Conveyance Expenses	345.26	251.67
Advertisement and Business Promotion Expenses	340.74	132.03
Office Expenses	84.22	84.11
Communication & IT Expenses	374.68	273.40
Printing and Stationery Expenses	94.43	62.56
Domestic Connection Expenses	2.07	-
Donation	161.50	0.50
Corporate Social Responsibility Expenses	228.52	197.00
Director Sitting Fees	2.28	-
Payment to Auditors		
(i) Statutory Audit Fees	6.50	7.44
(ii) Tax Audit Fees	2.00	2.33
(iii) Other Attestation Services	1.08	1.49
Miscellaneous expenses	58.43	22.92
Provision / Write-off for Doubtful Receivables (Net)	33.35	(9.51)
Loss on Sale on Asset	142.09	196.21
	9,161.50	8,224.95

NOTE : 36 EXCEPTIONAL ITEMS

(` in Lacs)

PARTICULARS	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Abandoned Project Write Off	6,096.69	5,423.71
	6,096.69	5,423.71



Note 37 INCOME TAX EXPENSE

a) Calculation of Deferred Tax Liability / Asset (net)

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2017	AS AT 31-Mar-2016	AS AT 1-Apr-2015
Deferred Tax Liabilities on account of			
Timing difference between books and tax depreciation	9,097.04	8,096.39	7,212.31
Ind As Adjustment on following:			
Ancillary Borrowing cost	5.83	7.50	14.01
Corporate Guarantee Income	-	96.22	-
MTM gain on Mutual Fund	-	0.13	-
Reversal of Goodwill Amortisation	-	58.62	-
Total	9,103.67	8,229.06	7,226.32
Deferred Tax Assets on account of			
Leave Encashment & Gratuity	202.08	149.05	129.88
Provision for Doubtful debts	25.36	13.82	16.81
Bonus	33.60	26.97	22.79
Total	261.04	189.84	169.48
	8,842.63	8,039.22	7,056.84

b) Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2017 & 31st March 2016 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

Particulars	For the Year Ended 31-Mar-2017	For the Year Ended 31-Mar-2016
Profit Before Tax	19,609.09	13,846.47
Tax Rate for Corporate Entity as per I. Tax Act, 1961	34.61%	34.61%
Tax Expense as per Income Tax Act, 1961	6,402.07	4,791.99
Non Deductible Items under Income Tax Act :		
Donation	28.03	34.34
CSR Expenses	39.54	-
Interest on Income Tax	9.40	28.79
Tax Adjustments of earlier years Ind As Impact for the year	14.42	708.44
Others	(3.54)	8.60
	5,400.93	5,600.90

Note 38 FAIR VALUE MEASUREMENT AND HIERARCHY

a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

(' In Lacs)

Particulars	Fair Value through profit or loss	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	1,564.49	1,564.49
Other Bank balances	-	2.55	2.55
Investments	952.67	-	952.67
Trade Receivables (including bill discounted)	-	5,621.12	5,621.12
Loans	-	48,529.22	48,529.22
Other Financial assets	-	962.57	962.57
Total	952.67	56,679.95	57,232.62
Financial Liabilities			
Borrowings (including the bills discounted)	-	49,067.27	49,067.27
Trade Payables	-	5,267.45	5,267.45
Other Financial Liabilities	-	30,073.90	30,073.90
Total	-	84,408.62	84,408.62



The carrying value of financial instruments by categories as of March 31, 2016 is as follows :

(` in Lacs)

Particulars	Fair Value through profit or loss	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	1,212.31	1,212.31
Other Bank balances	-	1.70	1.70
Investments	375.37	-	375.37
Trade Receivables (including bill discounted)	-	3,928.05	3,928.05
Loans	-	30,631.65	30,631.65
Other Financial assets	-	2,049.65	2,049.65
Total	375.37	37,823.36	38,198.73
Financial Liabilities			
Borrowings (including the bills discounted)	-	46,019.51	46,019.51
Trade Payables	-	4,476.90	4,476.90
Other Financial Liabilities	-	21,777.74	21,777.74
Total	-	72,274.15	72,274.15

The carrying value of financial instruments by categories as of March 31, 2015 is as follows :

(` in Lacs)

Particulars	Fair Value through profit or loss	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	-	13,419.42	13,419.42
Other Bank balances	-	1.61	1.61
Investments	-	-	-
Trade Receivables (including bill discounted)	-	6,333.33	6,333.33
Loans	-	11.47	11.47
Other Financial assets	-	1,921.80	1,921.80
Total	-	21,687.63	21,687.63
Financial Liabilities			
Borrowings (including the bills discounted)	-	27,412.82	27,412.82
Trade Payables	-	5,616.18	5,616.18
Other Financial Liabilities	-	25,678.31	25,678.31
Total	-	58,707.31	58,707.31

b) Fair Value Hierarchy :

(` in Lacs)

Particulars	As at March 31, 2017		
	Level 1	Level 2	Total
Assets :			
Investment (other than investment in joint venture and associated)	-	552.67	552.67
Derivative instrument	-	-	-
Financial Guarantees, given	-	-	-
Total	-	552.67	552.67
Liabilities :			
Derivative Instruments	-	-	-
Financial Guarantees, received	-	-	-
Total	-	-	-



Particulars	As at March 31, 2016		
	Level 1	Level 2	Total
Assets :			
Investment (other than investment in joint venture and associates)	-	375.37	375.37
Derivative instrument	-	-	-
Financial Guarantees, given	-	-	-
Total	-	375.37	375.37
Liabilities :			
Derivative instruments	-	-	-
Financial Guarantees, received	-	-	-
Total	-	-	-

Note : 39 FINANCIAL INSTRUMENTS AND RISK REVIEW

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

Particulars	₹ in Lacs)	
	For the year ended 31-Mar-2017	For the year ended 31-Mar-2016
Impact on profit for the year	271.90	227.94

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Maturity profile of financial liabilities :

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particular	Less than 1 year	1 to 5 years	More than 5	Total
Borrowings	22,842.90	31,067.27	1,000.00	54,910.17
Other Non Current Financial Liability	-	-	20,214.25	20,214.25
Other Current Financial Liability	4,016.75	-	-	4,016.75
Trade Payables	5,267.45	-	-	5,267.45
Total	32,127.10	31,067.27	21,214.25	84,408.61



NOTE : 40 Contingent Liabilities and Commitments:

Particulars	(' In Lacs)	
	As at 31-Mar-2017	As at 31-Mar-2016
A) Contingent Liabilities		
a) Pending labour matters contested in various courts	79.63	204.40
b) Cases pending in Consumer Forums	2.34	2.59
c) Cases pending in MACT	10.00	10.00
d) In respect of Service tax & Excise Duty	4,150.52	4,368.34
e) In respect of Income tax	733.31	280.23
g) Special Civil Suits	25.00	25.00
h) Bank Guarantee on behalf of JV company	247,138.00	247,138.00
i) Claims received but not acknowledged as Debt Take or pay liability towards gas procurement of Ahmedabad and Vadodara	-	-
j) Case pending in ECt	2,567.00	2,567.00
Total A	254,705.81	254,595.56
B) Commitments		
i) Capital		
Estimated amount of contracts on capital account to be executed and not provided for (Net of advances)	2,349.52	1,958.22
ii) Others (Net of advances)		
Total B	2,349.52	1,958.22
Total (A+B)	257,055.33	256,553.78

NOTE : 41 OPERATING LEASES

Disclosure as required by the IND AS 17, "Leases" as prescribed under Companies (Accounting Standard) Rules, 2015 (as amended) are given below:

- a) The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 39.
- b) The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent, on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- c) Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

Particulars	As at	
	31-Mar-2017	31-Mar-2016
Total of Future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	152.81	244.23
Later than one year and not later than five years	325.64	416.87
later than five years	229.41	295.71
Lease payment recognised in Statement of Profit & Loss	218.92	253.41



NOTE : 42 DISCLOSURES IN RESPECT OF EMPLOYEE BENEFIT OBLIGATIONS

a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

(Rupees in

Particulars	As at	As at		
	31/Mar/2017	31/Mar/2016		
I. Change in Obligations during the year				
Present Value of Obligations at the beginning of the year	418.37	320.74		
Current Service Cost	55.60	45.31		
Interest cost	33.03	25.55		
Actuarial loss/(gain)	55.07	27.83		
Acquisition Adjustment	1.14	-		
Benefit paid	(3.28)	(1.06)		
Present Value at the end of the year	559.91	418.37		
II. Change in Plan Assets during the year				
Present Value of Plan Assets at the beginning of the year	250.58	154.88		
Expected return on plan assets	19.78	12.34		
Employer's Contributions	29.70	80.09		
Actuarial (loss)/gain	4.13	4.46		
Benefit paid	(0.45)	(1.18)		
Present Value at the end of the year	303.73	250.58		
III. Net Asset / (Liability) recognised in the Balance Sheet				
Present Value of Obligations	559.91	418.37		
Fair Value of Plan Assets	303.73	250.58		
Net Asset / (Liability)	(256.18)	(167.79)		
IV. Composition of Plan Assets				
Insurance Funds				
v. Expense recognised in the Statement of Profit and Loss				
Current Service Cost	55.60	45.31		
Interest cost	33.03	25.55		
Expected return on the plan assets	(19.78)	(12.34)		
	68.84	58.52		
VI. Expense recognised in Other Comprehensive Income				
Actuarial (Gains) / Losses	50.94	23.37		
Return on plan assets, excluding amount recognised in net interest expense	-	-		
	50.94	23.37		
VII. Past four years data for defined benefit obligation and fair value of plan				
	2016-17	2015-16	2014-15	2013-14
Obligations at the end of the year	559.91	418.37	320.74	181.68
Plan assets at the end of the year	303.73	250.58	154.88	141.74
Net Assets / (Liability) at the end of year	256.18	167.79	165.86	39.94
Experience Adjustment on :				
(Gain) / Loss for Plan Liabilities	55.07	25.47	15.69	16.36
Gain / (Loss) for Plan Assets	(4.13)	4.46	3.96	0.52

viii. Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

	As at	As at
	31/Mar/2017	31/Mar/2016
Discount Rate	7.60%	7.90%
Expected Rate of Return on Plan Assets	7.95%	7.95%
Mortality / Pre-retirement	100.00%	100.00%
Turnover Rate	2.00%	2.00%
Rate of Escalation in Salary (p.a)	8.00%	8.00%

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

Particulars	Increase in assumptions		Decrease in assumptions	
	As at	As at	As at	As at
	31/Mar/2017	31/Mar/2016	31/Mar/2017	31/Mar/2016
Discount Rate (- / + 1%)	502.38	375.11	628.71	470.29
Salary Growth Rate (- / + 1%)	627.74	469.72	502.08	374.77
Attrition Rate (- / + 1%)	557.63	417.81	562.48	418.98
Mortality Rate (- / + 1%)	559.88	418.35	559.98	418.38



ix. Effect of Plan on Entity's Future Cash Flows**a) Funding arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 30,973,260

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2016: 12 years)
The expected maturity analysis of gratuity benefits is as follows :

	As at 31/Mar/2017	As at 31/Mar/2016
Less than a year	100.46	82.75
Between 2 to 5 years	61.99	47.44
Between 5 to 10 years	218.28	157.53
Beyond 10 years	1,276.65	1,064.11
	1,657.41	1,351.84

x. Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

(b) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis

(c) Other Long Term Employee Benefits :

Other long term employee benefits comprise of compensated absence/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2017 is ₹ 327.73 Lacs (31st March 2016: ₹ 298.81 Lacs).



NOTE : 43 RELATED PARTY TRANSACTIONS

Pursuant to the IND AS - 24 - Related Party Transactions, as prescribed under Companies (Accounting Standard) Rules, 2015 (as amended) the disclosure relating to transactions entered into with related parties at arm's length basis by the Company, as identified by the management are disclosed as under.

i) Name of related parties & description of relationship

A Ultimate Holding Company

Adani Enterprises Ltd. (w.e.f. 29-03-17)

B Holding Company

Adani Enterprises Ltd. (up to 28-03-17)

(Controlled by S. B. Adani Family Trust, a private discretionary trust)

Adani Gas Holding Ltd (w.e.f. 29-03-17)

C Fellow Subsidiaries (With whom transactions done during the year)

Adani Energy Ltd.

D Joint Venture

Indian Oil-Adani Gas Pvt. Ltd

E Common Control Entity

Adani Power Limited

F Key Management Personnel

Mr. Shridhar Tambraparni, Whole time Director

Mr. Naresh Podder, CFO

Mr. Hardik Sanghvi, Company Secretary

ii) Transaction with Related parties

(₹ in Lacs)

Related Party	Relation	Nature of Transaction	For the year ended 31-03-2017	For the year ended 31-03-2016
Adani Enterprises Ltd.	Ultimate Holding Company	Loan Given	45,379.91	41,800.86
		Loan Received back	27,500.00	11,600.86
		Loan taken	-	-
		Loan Repaid	-	4,800.00
		Payment of Int. on Loan	-	78.18
		Receipt of Int. on Loan	3,199.00	1,726.68
		Services availed	535.53	113.24
Adani Power Ltd	Common Control Entity	Transfer of Employee Liabilities	4.50	-
Adani Energy Ltd	Fellow Subsidiary	Advance given for Exp	-	13.03
Indian Oil-Adani Gas Pvt. Ltd	Joint Venture	Reimbursement of Exp	-	250.84
		Sale of Inventory	145.80	11.48
		Services Rendered	643.27	-
		Security Deposit	-	6.68
		Investment in equity	3,250.00	4,020.00
		Guarantees given on behalf of Company	-	250,000.00
Shridhar Tambraparni	Whole Time Director	Remuneration	136.10	123.63

Key Management Personnel Compensation

Particulars	For the year ended 31-03-2017	For the year ended 31-03-2016
Short Term Employee Benefits	120.14	110.03
Post Employment Benefits	11.66	10.87
Long Term Employee Benefits	4.29	2.73
Total	136.10	123.63

- The company is dealing in the CNG Sales & PNG sales to the domestic, industrial & commercial consumers. The above related party transaction does not include the transactions of PNG & CNG Gas sales to the related parties, as all such transactions are done at Arm's Length Price only.

- As per Para 11(c)(iii) of IND AS-24 "Related Party Disclosures", normal dealings of company with related parties by virtue of public utilities are excluded from the purview of Related Party disclosures.



iii) Balances with Related Parties

(' in Lacs)

Related Party	Relation	Balance as at 31-03-2017	Balance as at 31-03-2016
Adani Enterprises Ltd.	Controlling Company	48,402.74	30,597.52
Adani Power Limited	Entities where one or more KMP has significant influence	(4.71)	(0.19)
Adani Energy Ltd	Fellow Subsidiary	189.89	189.89
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	51.87	107.10

- The amounts outstanding are unsecured and will be settled in cash or kind. No guarantees have been given or received. No expense has been recognised in current year or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

All above figures are net of taxes wherever applicable.

NOTE : 44 EARNING PER SHARE

Pursuant to the Accounting Standard - 20 - Earning per share, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure is as under:

Particulars	For the Year Ended 31-Mar-2017	For the year ended 31-Mar-2016
Net Profit available for equity share holder (' in Lacs)	10119.16	8147.57
Weighted Avg. Number of shares used in computing Earning per Share		
Basic & Diluted	256742040	256742040
Earning per Share (Equity Shares, face value ` 10/-)		
Basic & Diluted (in `)	3.94	3.17



NOTE : 45 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Corporate social responsibility (CSR) committee has been formed by the Company. The Company is required to incur any CSR expense of ₹ 228.52 Lacs (P.Y. ₹ 196 Lacs) as per requirement of Section 135 of Companies Act, 2013 and had incurred expense of ₹ 228.52 Lacs (P.Y. ₹ 197 Lacs) for the year.

Particulars	Amount Contributed	Amount Contributed	Amount yet to contribute
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	228.52	-	228.52
Total	228.52	-	228.52

NOTE : 46

The company evaluates its working capital position for ensuing financial year based on the projected cash flow statement. The Company plans to meet the financial obligations based on continued support from lenders, trade creditors as well as fellow subsidiaries as may be required to sustain its operation on going concern basis. Having regard to the above, the financial statements have been prepared by the Management of the Company on a going concern basis.

NOTE : 47 OTHER DISCLOSURE

- a) The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- b) In the opinion of the Management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than fixed assets and non-current investments), are approximately of the value stated, if realized in the ordinary course of business, except, unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- c) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the company, as agreed upon between group companies.
- d) The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.
- e) An amount of ₹ 1029.31 Lacs (P.Y. 998.62 Lacs) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the company has made application to the excise & service tax dept. for availing this credit of ₹ 686.88 Lacs in statutory returns. Out of balance credit of ₹ 342.01 Lacs, credit of ₹ 80.04 Lacs will be availed in 2017-18 and balance will be availed in statutory returns on consumption of Inputs & capital goods.

The Fixed Assets/ Expenses of the company is understated to the extent of the CENVAT credit taken by the company and the same will be charged to respective assets / revenue if, the claim of the company for CENVAT credit is not accepted by the department.

- f) Company has given certain refundable deposits as security for the performance of work for ongoing projects to various government authorities. As interest rates are not specified in the contracts, the same will be accounted for in the year in which it is received.
- g) The company is in the process to review and reconcile its liabilities in connection with Retention Deposits, some of which are long outstanding. Effect of the same will be given in the year when the balances will be reconciled.
- h) Security Deposit include amount of Rs. 209.14 Lacs and interest due thereon of Rs. 150.81 Lacs are outstanding for a substantial period of time. The company has been actively negotiating for recovery and the management is reasonably confident of recovery against the same.
- i) During the year, the company has suspended/ abandoned certain projects on account of denial of permission from the regulatory authority. Accordingly, expenses incurred on those projects have been written off and are reflected under Exceptional item.
- j) Fair Value is not materially different from carrying amount.
- k) Information regarding purchases, sales and stock:



Piped Natural Gas

Particulars	For the year ended		For the year ended	
	31-Mar-17		31-Mar-16	
	Quantity (MMSCM)	In Lacs	Quantity (MMSCM)	In Lacs
Opening Stock	3.51	762.71	3.49	728.45
Purchase during the year	423.66	69259.60	394.77	72958.72
Conversion to CNG	230.27	26977.83	218.54	30969.02
Sales during the year	187.69	53480.45	171.47	57420.35
LJAD	5.36	1425.31	4.73	1035.01
Closing stock	3.85	729.45	3.51	762.71

Compressed Natural Gas

Particulars	For the year ended		For the year ended	
	31-Mar-17		31-Mar-16	
	Quantity (MMSCM)	In Lacs	Quantity (MMSCM)	In Lacs
Opening Stock	0.08	16.25	0.08	16.25
Conversion from PNG	230.27	26977.83	218.54	30969.02
Sales during the year	220.77	53843.06	209.43	54258.97
Captive Consumption of Natural Gas for manufacturing of CNG	3.17	439.34	2.91	602.17
LJAD	6.34	1221.83	6.20	1250.45
Closing stock	0.07	9.18	0.08	16.80

Notes:

1) Difference in reconciliation of opening stock, purchase, sales and closing stock of gas quantities is on account of measurement tolerance

2) CNG is purchased in SCM but is sold in Kgs. 1 kg of CNG is equivalent to 1.3524 SCM

k) Value of Stores and Spares consumed:

(In Lacs)

Particulars	For the year ended 31-03-2017	For the year ended 31-03-2016
a) Imported	-	3.92
b) Indigenous	1,064.10	1,267.35
Total	1,064.10	1,271.27

NOTE: 48 OTHER STATUTORY INFORMATION

a) Value of imports calculated on CIF Basis in respect of

(In Lacs)

Particulars	For the year ended 31-03-2017	For the year ended 31-03-2016
Capital Goods	283.24	299.16

b) Expenditure in Foreign Currency

(In Lacs)

Particulars	For the year ended 31-03-2017	For the year ended 31-03-2016
Travelling Exp	-	-
Professional Fees	-	-

NOTE: 49 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further the figures have been rounded off to the nearest rupees in Lacs in 2 decimal.

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



INDEPENDENT AUDITOR'S REPORT

To the Members of ADANI GAS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Adani Gas Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31 March 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
4. As required by section 143(3) of the Act, we report that:
 - h) 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;
 - i) 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;
 - j) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - k) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - l) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - m) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - n) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No. 112054W

Place : Ahmedabad

Date : 2nd May 2016

Anuj Jain

Partner

Membership No. 119140



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the company, except for leasehold land.
- (ii) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of the loans and investments made, and guarantees and securities provided by it.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- (xviii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's products/ services to which the said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (xix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, excise duty, service tax, duty of customs, entry tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities generally.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above referred statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of provident fund, employees' state insurance, sales tax, wealth tax, excise duty, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of service tax, income tax, duty of excise and Municipal Corporation Tax have not been deposited by the Company on account of disputes.



Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (` in Lacs)	Amount paid under protest (` in Lacs)	Period to which the amount relates
Central Excise Act, 1944	Excise Duty	Assessing Authority	599.14	Nil	2010-11 to 2015-16
		Appellate Authority upto Commissioner's Level	7.06	0.35	2008-09 to 2012-13
		Appellate Tribunal	1691.91	414.79	2006-07 to 2013-14
Finance Act, 1994	Service Tax	Assessing Authority	356.98	Nil	2008-09 to 2013-14
		Appellate Authority upto Commissioner's Level	4.85	Nil	2008-09 to 2012-13
		Appellate Tribunal	2424.18	500.65	2005-06, 2008-09 to 2011-12
Income Tax Act	Income Tax	Assessing Authority	25.00	Nil	2008-09 & 2009-10
		Appellate Authority upto Commissioner's Level	149.84	0.30	2011-12 & 2012-13
		Appellate Tribunal	179.04	142.79	2005-06, 2006-07 2008-09 to 2010-11
		High Court	165.29	70.85	2008-09
Municipal Corporation	Property Tax	Supreme Court	1716.10	1716.10	2010-11 to 2014-15

(*) Excluding interest and Penalty where the notice does not specifies the same.

- (xx) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank or financial institution during the year. The company has not borrowed funds from any debenture holders.
- (xxi) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (xxii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xxiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.



- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Place : Ahmedabad

Firm Reg. No. 112054W

Date : 2nd May 2016

Anuj Jain

Partner

Membership No. 119140



ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause I of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibilities 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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, **DHARMESH PARIKH & CO.**

Chartered Accountants

Place : Ahmedabad

Firm Reg. No. 112054W

Date : 2nd May 2016

Anuj Jain

Partner

Membership No. 119140



AGL STANDALONE - AUDITED BALANCE SHEET

(Rs. in Lacs)

Particulars	Notes	For the Year Ended on 31-Mar-2015	For the Year Ended on 31-Mar-2015
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS		61,148.06	58,493.11
(a) Share Capital	3	25,674.20	25,674.20
(b) Reserves & Surplus	4	35,473.86	32,818.91
(2) NON-CURRENT LIABILITIES		35,941.07	49,491.80
(a) Long-term borrowings	5	9,441.18	25,453.30
(b) Deferred Tax Liabilities (Net)	36	7,906.55	7,042.85
(c) Other Long term liabilities	6	18,430.00	16,762.40
(d) Long-term provisions	7	165.34	233.27
(3) CURRENT LIABILITIES		45,953.47	17,596.20
(a) Short-term borrowings	8	36,600.00	2,000.00
(b) Trade payables	9	4,476.90	5,159.64
(c) Other current liabilities	10	4,609.21	10,284.63
(d) Short-term provisions	11	267.36	151.93
TOTAL		143,042.60	125,581.11
II ASSETS			
(1) NON CURRENT ASSETS			
(a) Fixed assets	12		
(i) Tangible assets		72,837.05	70,112.66
(ii) Intangible assets		2,737.09	2,927.89
(iii) Capital work-in-progress	13	15,702.13	20,582.22
		91,276.27	93,622.77
(b) Non-Current investments	14	4,500.00	1,230.00
(c) Long-term loans and advances	15	2,465.48	2,776.11
(d) Other non-current assets	16	154.20	137.67
		98,395.95	97,766.55
(2) CURRENT ASSETS		44,646.65	27,814.56
(a) Current investments	17	375.00	0.00
(b) Inventories	18	3,869.82	3,549.03
(c) Trade receivables	19	3,928.05	6,333.54
(d) Cash & Bank Balances	20	1,214.01	13,421.02
(e) Short-term loans & advances	21	35,147.72	3,709.26
(f) Other current assets	22	112.05	801.91
TOTAL		143,042.60	125,581.11



AGL STANDALONE - AUDITED STATEMENT OF PROFIT AND LOSS

(Rs. In Lacs)

	Particulars	Notes	For the Year Ended 31-Mar-2016	For the Year Ended 31-Mar-2015
A	REVENUE			
I	Revenue from Operations (Gross)	23	120,522.25	141,603.76
	Less: Excise Duty		7,654.54	7,756.19
	Revenue from Operations (Net)		112,867.71	133,847.57
II	Other Income	24	2,592.78	1,324.68
III	Total Revenue (I+II)		115,460.49	135,172.25
IV	EXPENSES			
	Cost of Materials consumed	25	41,637.15	51,174.21
	Purchase Of Stock In Trade	26	33,661.84	47,532.36
	Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	27	(34.81)	584.11
	Employee benefits expense	28	3,401.90	3,119.18
	Finance costs	29	4,248.24	4,380.95
	Depreciation and amortization expense	12	5,417.25	5,515.74
	Other expenses	30	8,224.95	9,505.53
	Total Expenses		96,556.52	121,812.08
V	Profit / (Loss) for the year before Exceptional, Extraordinary Items & Taxation (III - IV)		18,903.97	13,360.17
VI	Exceptional Items	31	(5,423.71)	0.00
VII	Profit / (Loss) for the year before Extraordinary Items & Taxation (V - VI)		13,480.26	13,360.17
VIII	Extraordinary items		0.00	0.00
IX	Profit / (Loss) for the year before Taxation (VII - VIII)		13,480.26	13,360.17
X	Tax Expense:			
	(1) Current Tax		4,708.44	2,184.41
	(2) Adjustment of earlier years		0.00	0.38
	(3) Deferred Tax		863.72	808.09
	(4) MAT Credit Reversal / (Entitlement)		0.00	760.39
XI	Profit / (Loss) for the year (IX - X)		7,908.10	9,606.90
	Earning per Equity Share of ₹ 10/- each :			
	- Basic		3.08	3.74
	- Diluted		3.08	3.74



AGL STANDALONE - AUDITED CASH FLOW STATEMENT

(Rs. In Lacs)

S/NO	PARTICULARS	For the Year Ended on 31-Mar-2016	For the Year Ended on 31-Mar-2015
A	CASHFLOW FROM OPERATIONS		
	Net Profit Before Tax	13,480.26	13,360.17
	Adjustment for:		
	Depreciation/Amortization	5,417.25	5,515.74
	Finance Cost	4,248.24	4,380.95
	Interest Income	(1,983.04)	(262.69)
	Income from Dividend	-	(173.34)
	(Income)/Loss from Sale of Current Investments	(65.11)	(3.05)
	(Gain)/Loss on Sale of Fixed Assets	196.21	2.00
	Bad Debts/ Provision for Doubtful Debts	(9.51)	44.14
	Liabilities No Longer Required	(79.15)	(41.26)
	Bad Debts/ Provision for Doubtful Loans & Advances	-	323.95
	Exceptional Item	5,423.71	-
	Total Adjustments to Net Profit	13,148.60	9,786.46
	Operating Profit Before Working Capital Changes	26,628.86	23,146.63
	Adjustment for:		
	Trade and Other Receivables	2,414.80	1,580.48
	Inventories	(320.79)	146.71
	Loans and Advances	(659.81)	786.25
	Other Current Assets	687.73	(711.44)
	Trade Payables	(603.59)	(535.27)
	Other Liabilities & Provision	973.78	482.20
	Total Working Capital Changes	2,492.12	1,748.92
	Cash Generated From Operations	29,120.98	24,895.56
	Direct Tax (Paid)/ Refund	(3,839.41)	(3,008.20)
	Net Cash From Operating Activities	25,281.57	21,887.35
B	CASHFLOW FROM INVESTING ACTIVITIES		
	Purchase/Additions to Fixed Assets & Capital Work In Progress	(8,700.25)	(3,090.18)
	Capital Advances	49.06	47.51
	Sale of Fixed Assets	9.58	10.06
	Redemption/(Investment) in Deposits	(0.09)	2.41
	Interest Received	1,968.64	244.08
	Investment in Joint Venture	(4,020.00)	(1,227.50)
	Consideration from sale of Mutual Fund	65.11	3.05
	Income from Dividend	-	173.34
	Loans, Advances and Deposits to Related Party	(30,626.18)	-
	Net Cash Used in Investing Activities	(41,254.13)	(3,837.25)
C	CASHFLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings	0.00	2,000.00
	Proceeds from Commercial paper	30,000.00	0.00
	Repayment of Long Term Borrowings	(22,563.36)	(7,276.65)
	Proceeds from Short Term Borrowings	4,600.00	2,000.00
	Repayment of Short Term Borrowings	0.00	(1,013.68)
	Repayment of Loans and Advances	(13.03)	12.87
	Interest Paid	(4,297.61)	(4,428.40)
	Security Deposit from Customer & contractors	1,667.60	917.80
	Dividend Paid (including dividend distribution tax)	(5,253.15)	0.00
	Net Cash Used for Financing Activities	4,140.45	(7,788.06)
D	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	(11,832.10)	10,262.04
	Effect of Exchange Rate Difference on Cash and Cash Equivalents	0.00	0.00
	Cash and Cash Equivalents at the beginning of the Period	13,419.41	3,157.37
	Cash and Cash Equivalents at the End of the Period	1,587.31	13,419.41
	Components of cash and cash equivalents		
	Cash on hand	-	0.42
	Cheque on hand	0.00	779.24
	Balances with Local banks		
	- In Current Account	687.31	6,121.16
	- In Fixed Deposit Account	525.00	941.00
	- In Margin Deposit Account	0.00	5,577.59
	Highly Liquid mutual Fund	375.00	0.00
	Total cash and cash equivalents (Refer note 17 & 20 (a))	1,587.31	13,419.41



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

NOTE 1 CORPORATE INFORMATION

Adani Gas Limited (AGL) was originally incorporated as Adani Energy (U.P.) Limited on 5th August 2005 as Public Limited Company under the Companies Act, 1956 vide CIN U40100GJ2005PL0046553. Subsequently Adani Energy (U.P.) Pvt. Ltd. was renamed as Adani Gas Limited vide Fresh Certificate of Incorporation consequent upon change of name dated 8th January, 2010. It is a wholly owned subsidiary of Adani Enterprises Limited. The company carries on the activity of City Gas Distribution and distributes and transports Natural Gas to Domestic, Commercial, Industrial and Vehicle users. The company is presently operating in Ahmedabad, Vadodara, Faridabad and Kurja.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION AND PRESENTATION OF THE ACCOUNTS :-

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

c) CURRENT & NON-CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

d) INVENTORIES

- i) Stores and Spares are valued at Cost or NRV which ever is less. Cost is determined on Weighted Average basis & comprises of expenditure incurred in the normal course of business in bringing inventories to their location & condition including appropriate overheads.
- ii) Stock of CNG in cascades and Natural Gas in pipelines have been valued on Weighted Average basis considering lower of cost or net realisable value.
- iii) Capital inventories represent item of capital nature lying in the stores and are valued at cost.
- iv) Net Realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

e) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of 3 months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

f) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

g) DEPRECIATION

- i) Depreciation of fixed assets is provided on Straight Line Method at rates and in the manner specified in Schedule II of the Companies Act 2013 except as stated below.

Assets Class	Estimated Useful Life
Compressors	8 years
Dispensers	8 years
Cascades	15 years
Steel Pipes & Fittings	20 years
PE pipes & Fittings	20 Years
Leased Hold Land	Over the period of lease
Right of Use of Land	Over the period of Rights
Mobile Devices	100% in the year of incurrence



The above useful life has been determined based on the technical evaluation done by the Management.

- ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

h) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- i) Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly for domestic customers, fortnightly for commercial, Non commercial & Industrial Customer. Sales are disclosed net of sales tax/ value added tax (VAT) as applicable.
- ii) Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.
- iii) Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.
- iv) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Gas supplied to domestic customers for which billing have not been done as per the billing cycle is treated as stock and revenue for the same is accounted in the year in which Sales are billed.
- vi) Dividend Income from investments is recognised when the Company's right to receive payment is established.

i) FIXED ASSETS

A) TANGIBLE FIXED ASSETS

- i) Fixed assets are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation (net of Cenvat and VAT credit wherever applicable).
- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets.
- iii) Leasehold land is carried at Cost, comprising of Lease Premium and expenses on acquisition thereof, as reduced by accumulated amortization.
- iv) The Natural Gas (NG) distribution systems for PNG connections commissioned on commencement of supply of gas to the individual consumers.
- v) The CNG outlets are commissioned on commencement of sale of CNG to the customers.

B) INTANGIBLE FIXED ASSETS

- i) Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.
- ii) Goodwill acquired as a result of demerger is being amortised over a period of 20 years based on the balance estimated life of the project as determined by the management.

j) CAPITAL WORK IN PROGRESS

- i) The cost of Fixed Assets not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- ii) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective fixed assets.

k) FOREIGN CURRENCY TRANSACTIONS

i) Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

ii) Measurement of Foreign Currency Monetary Items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.



iii) Treatment of Exchange Differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

iv) Accounting of Forward Contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

l) INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

m) EMPLOYEE BENEFITS**A) Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employees benefits and are recognised in the period in which the employee renders the related service.

B) Post Employment Benefits**i) Defined Benefit Plans**

The employees' gratuity scheme is a defined benefit scheme. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuations, carried out by an independent actuary, using the Projected Unit Credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

ii) Defined Contribution Plans

Contribution to the provident fund scheme which is a defined contribution schemes is charged to the statement of Profit and Loss as the same is incurred.

iii) Long-Term Employee Benefits

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss.

iv) For the purpose of presentation of defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary.

n) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

o) SEGMENT REPORTING

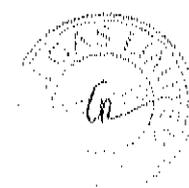
In accordance with accounting standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended), the Company has determined its business segment as distribution of Natural Gas. Since, there are no other business segments in which the Company operates there are no other primary reportable segments. Further since the company's operations are limited to cities in India, there is no other Geographical reportable segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

p) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Accounting Standard 18, "Related Party Disclosures" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) has been set out in Note 33. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

q) LEASES

Lease arrangement where risk and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as Operating Leases. The company's leasing arrangements are in respect of operating lease for office premises. The aggregate lease rent payable is charged as rent including lease rentals.



r) EARNING PER SHARE

- i) The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard-20 as prescribed under the Companies (Accounting Standard) Rule 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

s) TAXES ON INCOME**i) DEFERRED TAXATION**

In accordance with the Accounting Standard 22 - Accounting for Taxes on Income, prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

ii) CURRENT TAXATION

Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961

iii) MAT CREDIT

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

t) IMPAIRMENT OF ASSETS

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the profit and loss account.

u) PROVISIONS AND CONTINGENT LIABILITIES

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

v) ACCOUNTING OF CLAIMS

- i) Claims received are accounted at the time of lodgement depending on the certainty of receipt and claims payable are accounted at the time of acceptance.
- ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on merits of each claim. Adjustments, if any, are made in the year in which disputes are finally settled.

w) EXPENDITURE

Expenses are net of taxes recoverable, where applicable.

x) SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

y) APPLICABILITY OF OTHER ACCOUNTING STANDARDS

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.



NOTE : 3 SHARE CAPITAL

(' In Lacs)

PARTICULARS	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
AUTHORISED Equity Shares of ' 10/- each	260,000,000	26,000.00	260,000,000	26,000.00
	260,000,000	26,000.00	260,000,000	26,000.00
ISSUED, SUBSCRIBED & PAID-UP Equity shares of ' 10/- Each Fully Paid up	256,742,040	25,674.20	256,742,040	25,674.20
	256,742,040	25,674.20	256,742,040	25,674.20
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity shares				
	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
At the beginning of the period	256,742,040	25,674.20	256,742,040	25,674.20
Issued during the period	.	.	.	.
Issued during the period - Bonus	.	.	.	.
Issued during the period - ESOP	.	.	.	.
Outstanding at the end of the period	256,742,040	25,674.20	256,742,040	25,674.20
(b) Terms/ rights attached to equity shares				
The company has only one class of equity shares having par value of ' 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend				
(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates				
Out of equity shares issued by the company, shares held by its holding company are as below:				
Equity shares of ' 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	(' In Lacs)	No. of Share	(' In Lacs)
Adani Enterprise Limited, the Holding Company (Along with its nominees)	256,742,040	25,674.20	256,742,040	25,674.20
(d) Details of shareholders holding more than 5% shares in the company				
Equity shares of ' 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2016		AS AT 31-March-15	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Enterprise Limited, the Holding Company (Along with its nominees)	256,742,040	100%	256,742,040	100%



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENED 31-MARCH-2016

NOTE : 4 RESERVES & SURPLUS

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
Balance as per Last Financial Statements	32,818.91	23,308.01
Less : Depreciation Adjustment in Retained Earnings	-	96.00
Add : Profit for the Year	7,908.10	9,606.90
Less : Interim Dividend on Equity Shares	4,364.62	-
Less : Tax on Interim Dividend	888.53	-
	35,473.86	32,818.91

NOTE : 5 LONG TERM BORROWINGS

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Term loans - Secured		
From Financial Institution	-	6,553.30
From Bank	9,441.18	14,100.00
Other Loans - Unsecured		
From Related Parties (Holding Company)	-	4,800.00
	9,441.18	25,453.30

Note :

i) Security Details:

Rupee Term Loans from Bank is Secured by

- First exclusive hypothecation charge over Plant and Machinery and other assets of the company at Vadodara, Khurja, Noida & Faridabad plants.

ii) Repayment terms:

- a) Long Term Rupee Term Loan of ₹ 10,900 Lacs is repayable in 2 quarterly installments of ₹ 100 Lacs each and remaining balance in 17 quarterly installments of ₹ 629.41 lacs each beginning from 14th April 2016.
- b) The above loans carries interest rate equal to the benchmark rate, presently @ 9.40% and is payable on monthly basis.
- c) For Current maturities of Long term borrowing refer Note No-10 "Other Current Liabilities"

NOTE : 6 OTHER LONG TERM LIABILITIES

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Security Deposit From Customer	18,044.28	16,589.28
Retention Money	293.13	86.81
Security Deposit From Contractors	92.59	86.31
	18,430.00	16,762.40

Note:

- i) Deposits from all Customers of natural gas refundable on termination / alteration of the gas sales agreements are considered as long term liabilities.
- ii) Retention Money and Security deposit from contractors are considered as long term liabilities considering the long term contracts with them.



NOTE : 7 LONG TERM PROVISIONS

(' in Lacs)

PARTICULARS	AS AT	AS AT
	31-MARCH-2016	31-MARCH-2015
Provision for Gratuity	-	99.36
Provision for Leave Encashment	163.34	133.91
	163.34	233.27

NOTE : 8 SHORT TERM BORROWINGS

(' in Lacs)

PARTICULARS	AS AT	AS AT
	31-MARCH-2016	31-MARCH-2015
Unsecured Borrowings		
Commercial Paper	30,000.00	-
Demand Loan - Secured		
From Bank	3,600.00	2,000.00
Term Loan - Unsecured		
From Bank	3,000.00	-
	36,600.00	2,000.00

Note :**Security Details:****Rupee Term Loans from Bank is Secured by :**

- First pari passu hypothecation charge on stock & book debts of the company with other working capital lenders
- Any other security created in favour of other Working Capital Vendors

NOTE : 9 TRADE PAYABLE

(' in Lacs)

PARTICULARS	AS AT	AS AT
	31-MARCH-2016	31-MARCH-2015
Trade payables		
- Micro, Small and Medium Enterprise (Refer Note 39(a))	2.28	0.08
- Others	4,474.62	5,159.57
	4,476.90	5,159.65

Note :

Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

- | | | | |
|-------|---|---|---|
| (i) | Principal amount remaining overdue unpaid to any supplier as at the end of the accounting year | - | - |
| (ii) | Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) | The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date | - | - |
| (iv) | The amount of interest due and payable for the year | - | - |
| (v) | The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (vi) | The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |



NOTE : 10 OTHER CURRENT LIABILITIES

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Current Maturities of Long Term Debt (Refer Sub Note of Note 5 for security offered)		
- Loan from Financial Institution	-	3,276.65
- Loan from Bank	1,458.82	4,733.41
Total	1,458.82	8,010.06
Interest Accrued but not due on Borrowings	108.44	155.42
Interest Accrued and Due on Borrowings	-	2.39
Statutory Dues Payable (includes TDS, VAT, PF etc.)	684.47	670.98
Security Deposit from Contractor	219.61	229.98
Other Payables		
- Customer Advances	577.00	241.20
- Retention Money	156.62	75.40
- Creditors for Capital Goods	1,243.48	896.51
- Others	160.77	2.69
	4,609.21	10,284.63

NOTE : 11 SHORT TERM PROVISIONS

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Provision for Gratuity (Refer Note 32)	167.79	66.50
Provision for Leave Encashment	99.57	82.34
Provision for Tax (Net of Advance Tax)*	-	3.09
	267.36	151.93

* Advance Income tax and provision for taxation has been disclosed on net basis where a legal right to set off exist and the company intends to settle the assets and liability on net basis



NOTE : 12 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	AS AT 01-Apr-2015	ADDITION DURING THE YEAR	REDUCTION DURING THE YEAR	AS AT 31-Mar-2016	AS AT 01-04-2015	ADDITION DURING THE YEAR	ADJUSTED PAID RETAINED EARNINGS	DEPRECIATION DURING THE YEAR	AS AT 31-Mar-2016	AS AT 31-Mar-2015
TANGIBLE ASSETS										
Land (Free Hold)	1,000.00	-	-	1,000.00	-	-	-	-	1,000.00	1,000.00
Land (Lease Hold)	1,069.71	3.25	-	1,072.96	-	-	-	-	1,072.96	1,072.96
	4,773.55	0.32	-	4,773.87	571.25	53.41	-	-	4,749.65	4,349.41
	4,773.00	42.55	-	4,715.55	310.30	50.00	-	-	4,402.55	4,402.55
Building	6,076.50	605.00	50.00	6,631.50	409.76	88.65	-	119	5,732.50	6,093.50
	4,079.50	201.80	-	4,281.30	400.93	109.07	-	-	4,072.23	4,316.63
Office Equipment	570.17	69.37	3.34	636.20	216.67	15.81	0.00	2.59	387.03	169.10
	330.00	32.03	0.70	361.33	0.30	06.69	41.02	0.80	214.02	156.00
Computer	240.65	40.40	0.43	281.62	150.04	39.31	0.00	6.45	191.91	191.91
	222.90	23.75	-	246.65	0.00	00.00	0.00	-	150.04	100.61
Vehicles	80.45	-	10.10	70.35	47.04	0.00	-	0.33	47.57	20.79
	06.03	0.47	-	6.50	32.03	30.81	-	-	47.84	30.61
Furniture	1,577.00	70.07	4.14	1,642.93	784.65	202.09	-	3.70	603.27	605.10
	1,534.04	37.03	-	1,571.07	200.00	200.00	-	-	704.06	708.51
Other Equipment	97.31	-	-	97.31	71.22	4.26	-	-	95.49	31.62
	57.31	0.00	-	57.31	10.00	4.20	-	-	71.22	36.00
Plant & Machinery	89,954.85	7,701.87	222.85	97,433.87	28,590.41	6,617.67	0.00	650.90	32,356.94	60,900.43
	81,800.00	5,303.75	37.07	86,966.68	23,032.00	4,259.30	0.00	513	28,300.41	50,502.85
INTANGIBLE ASSETS										
Computer Software	1,092.23	140.94	-	1,233.17	935.24	156.41	-	-	1,078.83	353.53
	904.73	304.54	-	1,209.27	662.04	204.09	30.34	-	902.27	367.00
Goodwill	3,300.91	-	-	3,300.91	049.73	109.25	-	-	3,041.93	2,379.23
	3,200.01	-	-	3,200.01	070.70	160.00	-	-	3,029.31	2,349.10
Right of Use of Land	55.70	-	-	55.70	43.99	0.39	-	-	40.50	0.32
	55.70	-	-	55.70	30.49	5.60	-	-	41.00	0.70
Total										
Tangible Assets	100,189.26	8,015.70	077.77	107,277.17	50,470.60	9,005.51	0.00	871.90	34,090.11	72,017.65
	94,000.00	8,776.40	37.85	102,803.25	25,000.35	5,316.38	50.01	5.60	36,476.00	70,117.00
Intangible Assets	4,723.00	160.94	-	4,883.94	1,959.99	317.25	-	-	2,127.73	2,537.00
	4,419.30	304.54	-	4,723.80	1,300.30	379.96	30.34	-	1,705.50	2,927.00
GRAND TOTAL	90,200.00	8,881.00	37.05	99,113.14	24,665.66	8,615.74	90.01	5.00	32,177.80	75,048.36

* Lease hold land is amortized over a period of lease. Amount of amortization for the current year is shown in depreciation column.

Represents Previous years figures

NOTE: 1 IMPAIRMENT OF FIXED ASSETS

Management has carried out a review, at the closing date of year as March 31, 2016 in accordance with the provisions of Accounting Standard - 28 Impairment of Assets. Based on this review, the management is of the opinion that there were no impairment indicators that necessitate any adjustments to the carrying value of the assets. This case has been noted by the auditor.

NOTE : 13 CAPITAL WORK IN PROGRESS

PARTICULARS	(' in Lacs)	
	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Plant and Machinery	6,793.09	8,787.73
Capital Inventory	3,690.07	3,161.20
Project Development Expenditure		
Personnel Expenses	1,069.60	2,413.97
Travelling and Conveyance	44.52	102.55
Office Expenses	174.20	201.49
Legal and Professional Expenses	719.59	925.33
Finance Charges	1,551.30	3,077.83
Project Expenses	1,642.43	1,885.46
Other Expenses	17.34	26.66
	15,702.13	20,582.22



NOTE : 14 NON-CURRENT INVESTMENTS

(' in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Unquoted-Trade Investment		
In Joint Venture		
4,50,00,000 (P.Y 1,23,00,000) shares of Indian Oil-Adani Gas Pvt. Ltd of ' 10/- each	4,500.00	1,230.00
	4,500.00	1,230.00

NOTE : 15 LONG TERM LOAN AND ADVANCES

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Advance Against Expenses		
Unsecured, Considered Good		
- Capital	24.67	73.73
Security Deposits		
Unsecured, Considered Good		
- With Government	237.01	383.91
- With Others (Refer Note 39 (h))	415.17	421.46
Loans and Advances to Related Parties		
Unsecured, Considered Good	189.89	176.86
Unsecured, Considered Doubtful	-	-
	A 189.89	176.86
Less: Provision for Doubtful Advances	B -	-
Net Loans and Advances to Related Parties (A-B)	189.89	176.86
Advance Payment of Income Tax (Net)	197.65	1,069.77
Unsecured, Considered Good		
Balance with Government Authorities	651.09	650.38
Share Application Money Pending Allotment		
JV-Indian Oil-Adani Gas Pvt, Ltd	750.00	-
	2,465.48	2,776.11

NOTE : 16 OTHER NON CURRENT ASSETS
(Unsecured, Considered Good)

(' in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Interest Accrued and not due on Deposit	3.39	3.90
Interest Accrued and due on Deposit (Refer Note 39 (h))	150.81	133.77
	154.20	137.67



NOTE : 17 CURRENT INVESTMENTS

(' in Lacs)

PARTICULAR	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Unquoted Mutual Funds		
9,05,939,338 Units of ₹ 10 each in JM High Liquidity Fund (Direct) - Growth Option	375.00	-
	375.00	-
Aggregate amount of Unquoted Investments	375.00	-
Net Assets Value (N.A.V)	375.37	-

NOTE : 18 INVENTORIES

(At cost or net realisable value whichever is lower)

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Stock in Trade / Finished Goods	779.51	744.70
Stores and Spares	3,090.31	2,804.33
	3,869.82	3,549.03

NOTE : 19 TRADE RECEIVABLES

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Receivable Outstanding for a Period Exceeding six months from the Date they are Due for Payment		
(i) Unsecured, Considered Good	60.60	77.27
(ii) Doubtful	39.92	49.44
	100.52	126.71
(iii) Provision for Doubtful Receivable	(39.92)	(49.44)
(A)	60.60	77.27
Receivable Outstanding for a Period Less than six months from the Date they are Due for Payment		
(i) Unsecured, Considered Good	3,867.45	6,256.07
(ii) Doubtful	-	-
	3,867.45	6,256.07
(iii) Provision for Doubtful Receivable	-	-
(B)	3,867.45	6,256.07
Total (A+B)	3,928.05	6,333.34
Trade Receivables includes ₹. 3.59 lacs (P.Y. ₹. 2.28 lacs) due from related parties		



NOTE : 20 CASH AND BANK BALANCES

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Cash & Cash Equivalents		
i) Balances with Banks		
In Current Account	687.31	6,121.16
In Fixed Deposit Account (Due within 3 Months)	525.00	941.00
In Margin Deposit Account (Due within 3 Months)	-	5,577.59
ii) Cash on Hand	-	0.42
iii) Cheque on Hand	-	779.24
(A)	1,212.31	13,419.41
Other bank balances		
- Deposits with Original Maturity over 3 months but less than 12 Months	1.70	1.61
(B)	1.70	1.61
Total (A+B)	1,214.01	13,421.02

NOTE : 21 SHORT-TERM LOAN AND ADVANCES
(Unsecured, considered good)

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Loans to Related Parties	30,626.10	-
Advance Against Expenses	217.65	60.10
Balance with Government Authorities		
Excise & Service Tax	1,128.58	972.30
VAT & CST	2,551.09	2,635.84
Prepaid Expenses	618.75	29.54
Loan to Employees	5.47	11.47
	35,147.72	3,709.26

NOTE : 22 OTHER CURRENT ASSETS

(' in Lacs)

PARTICULARS	AS AT 31-MARCH-2016	AS AT 31-MARCH-2015
Interest Accrued and Not Due on Deposit	4.95	7.08
Other Receivables from Related Parties	107.10	794.83
	112.05	801.91



NOTE : 23 REVENUE FROM OPERATIONS

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Sale of Goods		
(i) CNG Sales (Gross)	61,913.51	61,459.54
Less: Excise Duty	7,654.54	7,756.20
CNG Sales (Net)	54,258.97	53,703.35
(ii) PNG Sales	57,420.35	78,991.16
Sale of Services		
(i) Connection Income	525.46	450.25
(ii) Transportation Income	243.55	245.46
Other Operating Revenues	419.38	457.35
	112,867.71	133,847.58

NOTE : 24 OTHER INCOME

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Interest Income	1,983.04	262.69
Foreign Exchange Gain	3.18	5.76
Dividend Income from Current Investments	-	173.34
Net Gain on sale of Current Investments	65.11	3.05
Liabilities no Longer Required	79.15	41.26
Sale of Stores and Spares	407.57	774.68
Other Non-Operating Income	54.73	63.91
	2,592.78	1,324.68

NOTE : 25 COST OF RAW MATERIALS CONSUMED

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Opening Stock	-	-
Add : Transfer from Purchase of Stock in trade	41,637.15	51,174.21
	41,637.15	51,174.21
Less : Closing Stock	-	-
	41,637.15	51,174.21

NOTE : 26 PURCHASE OF STOCK IN TRADE

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Purchase of Stock in Trade	75,298.99	98,706.57
Less: Transfer for CNG Conversion	41,637.15	51,174.21
	33,661.84	47,532.36



NOTE : 27 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Opening Stock of Finished Goods / Stock in Trade	744.70	1,328.81
Less: Closing Stock of Finished Goods / Stock in Trade	779.51	744.70
	(34.81)	584.11

NOTE : 28 EMPLOYEE BENEFIT EXPENSE

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Salaries and Wages	1,958.66	1,728.95
Contractual Manpower Expenses	1,076.54	984.35
Contribution to Provident and Other Funds	178.45	246.84
Staff Welfare Expenses	188.25	159.04
	3,401.90	3,119.18

NOTE : 29 FINANCE COSTS

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Interest		
Interest on Term Loan	2,053.94	3,534.30
Interest on Security Deposit	285.00	286.36
Interest on Commercial Paper	1,585.55	-
Interest on Income Tax	-	24.99
Interest to Municipal Corporation	0.02	28.78
Interest on Inter Corporate Deposit	78.18	345.30
Interest Others	40.24	0.87
Other Borrowing Cost		
Bank Charges	205.31	160.35
	4,248.24	4,380.95



NOTE : 30 OTHER EXPENSES

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Consumption of Stores and Spare Parts (Refer Note - 39 (k))	1,271.27	2,235.15
Power and Fuel	2,537.78	2,469.47
Transportation Charges	290.12	265.13
Security Expenses	107.47	208.09
Commission & Brokerage	524.81	551.29
Rent	253.41	268.30
Repairs to Buildings	80.85	72.34
Repairs to Machinery	833.08	910.11
Repairs to Others	117.47	106.89
Insurance	45.15	41.18
Rates and Taxes	402.18	450.03
Legal and Professional Fees	539.21	794.03
Travelling and Conveyance Expenses	251.67	216.78
Advertisement and Business Promotion Expenses	132.05	22.63
Office Expenses	84.11	92.19
Communication & IT Expenses	273.40	155.67
Printing and Stationery Expenses	62.56	68.06
Donation	0.50	0.90
Corporate Social Responsibility Expenses	197.00	165.75
Payment to Auditors		
(i) Statutory Audit Fees	7.44	5.79
(ii) Tax Audit Fees	2.33	1.97
(iii) Other Attestation Services	1.49	2.07
Miscellaneous Expenses	22.92	31.61
Provision / Write-off for Doubtful Receivables (Net)	(9.51)	44.14
Provision / Write-off for Doubtful Loans & Advances	-	323.95
Loss on Sale on Asset	195.21	2.00
	8,224.95	9,505.53

NOTE : 31 EXCEPTIONAL ITEMS

(' in Lacs)

PARTICULARS	For the Year Ended 31-March-2016	For the Year Ended 31-March-2015
Suspended Project Write Off (Refer Note 39 (i))	5,423.71	-
	5,423.71	-



NOTE 32 EMPLOYEE BENEFITS

- a) Pursuant to the Accounting Standard - 15 - Employee Benefits, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure in connection with the accrued gratuity and leave encashment is as under:

(' in Lacs)

Gratuity	For the year ended 31-March-2016	For the year ended 31-March-2015
Change in the Defined Benefit Obligations		
Defined Benefit Obligation as at April 1, 2015	320.74	181.68
Service Cost	45.31	19.97
Interest Cost	25.55	17.04
Actuarial Loss / (Gain)	27.83	105.83
Benefit Paid	(1.06)	(3.70)
Defined Benefit Obligation as at March 31, 2016	418.37	320.74
Change in Plan Assets		
Fair Value of Plan Assets as at April 1, 2015	154.88	141.74
Expected Return on the Plan Assets	12.34	12.33
Contributions by Employer	80.09	0.62
Actuarial (Loss)/Gain	4.46	3.97
Benefit Paid	(1.18)	(3.78)
Fair Value of Plan Assets as at March 31, 2016	250.59	154.88
Present Value of Unfunded Obligations	167.79	165.86
The Net amount recognized in the Statement of Profit and Loss for the Year Ended March 31, 2016 is as follows:		
Current Service cost	45.31	19.97
Interest Cost	25.55	17.04
Expected Return on the Plan Assets	(12.34)	(12.33)
Net Actuarial Loss/ (Gain) Recognized	23.37	101.86
Net Amount Recognized	81.89	126.54
The Major Categories of Plan Assets as a Percentage of Total Plan Assets as at March 31, 2016 are as follows:		
Discount Rate	7.90%	7.95%
Expected Rate of Return on Plan Assets	7.95%	7.95%
Rate of Increase in Compensation Levels (Refer Note below)	8.00%	8.00%
Experience Adjustment		
On Plan Liability (Gain) / Losses	25.47	16.69
On Plan Asset Gain / (Losses)	4.46	3.97

Post Four Years Data for Defined Benefit Obligation and Fair Value of Plan:

	2011-12	2012-13	2013-14	2014-15
Present Value of Defined Benefit Obligations	107.85	157.04	320.74	320.74
Fair Value of Plan Assets	112.86	133.60	154.88	154.88
Net Assets / (Liability)	(5.02)	23.41	165.86	165.86
Experience Adjustments on Plan Liability (Gain) / Losses	7.89	29.10	16.69	16.69
Experience Adjustments on Plan Assets Gain / (Losses)	3.04	0.77	3.96	3.97

- b) The actuarial liability for leave encashment and compensated absences (including Sick Leave) as at the year ended 31st March 2016 is **₹ 262.91 Lacs** (Previous Year - ₹ 216.25 Lacs)

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



NOTE:33 RELATED PARTY TRANSACTIONS

Pursuant to the Accounting Standard – 18 – Related Party Transactions, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure relating to transactions entered into with related parties at arm's length basis by the Company, as identified by the management are disclosed as under.

i) Name of Related Parties & Description of Relationship

A Holding Company

Adani Enterprises Ltd.
(Controlled by S. B. Adani Family Trust, a private discretionary trust)

B Fellow Subsidiaries (With whom transactions done during the year)

Adani Infra (India) Ltd (Upto Dt: 16-Nov-2015)
Adani Energy Ltd.

C Associates Entities (With whom transactions done during the year)

Adani Wilmar Ltd.
Adani Welspun Exploration Ltd.

D Joint Venture

Indian Oil-Adani Gas Pvt Ltd

E Entities on which one or more KMP have a significant influence/control

Adani Ports and Special Economic Zone Ltd
Adani Power Limited

F Key Management Personnel

Shri Rajesh S. Adani, Director
Shri Pranav V. Adani, Director
Shri Shridhar Tambraparni, Whole Time Director

ii) Transaction with Related parties

Related Party	Relation	Nature of Transaction	(' in Lacs)	
			For the year Ended 31-March-2016	For the year ended 31-March-2015
Adani Enterprises Ltd.	Controlling Company	Loan Given	41,800.86	10,040.00
		Loan Received back	11,800.86	10,040.00
		Loan taken	0.00	4,000.00
		Loan Repaid	4,800.00	4,000.00
		Payment of Int on Loan	78.18	345.30
		Receipt of Int on Loan	1,726.68	39.33
		Employee loan and advance from Related party	0.00	0.16
		Employee loan and advance to Related party	0.00	6.44
		Services availed	115.24	130.62
		Reimbursement of Exp	0.00	0.49
Adani Energy Ltd	Fellow Subsidiary	Advance given for Exp	13.03	2.11
		Services availed	0.00	5.00
		Asset Purchased	0.00	22.15
		Advances written off	0.00	481.42
Indian Oil-Adani Gas Pvt Ltd	Joint Venture	Reimbursement of Exp	230.84	792.71
		Sale of Inventory	11.48	793.72
		Sale of Asset	0.00	1.05
		Security Deposit	6.68	0.00
		Investment in equity*	4,020.00	1,227.50
		Guarantees given on behalf of Company	250,000	86,626.20
Shridhar Tambraparni	Whole Time Director	Remuneration	123.63	3.39

* Includes shares pending allotment of Rs. 790 Lacs

- The company is dealing in the CNG Sales & PNG sales to the domestic, industrial & commercial consumers. The above related party transaction does not include the transactions of PNG & CNG Gas sales to the related parties, as all such transactions are done at Arm's Length Price only.

- As per Para 4(a)(iii) of AS-18 "Related Party Transactions", normal dealings of company with related parties by virtue of public utilities are excluded from the purview of Related Party disclosures.



III) Balances with Related Parties

(' In Lacs)

Related Party	Relation	Balance as at 31-03-2016	Balance as at 31-03-2015
Adani Enterprises Ltd.	Controlling Company	30,597.52	(4,817.59)
Adani Wilmar Ltd.	Associate Entity	0.01	0.01
Adani Power Limited	Entities where one or more KMP has significant influence	(0.19)	0.47
Adani Ports and Special Economic Zone Ltd.	Entities where one or more KMP has significant influence	0.09	(0.00)
Adani Energy Ltd.	Fellow Subsidiary	189.89	176.86
Indian Oil-Adani Gas Pvt Ltd.	Joint Venture	107.10	794.83

All above figures are net of taxes wherever applicable.

NOTE : 34 OPERATING LEASES

Disclosure as required by the Accounting Standard 19, "Leases" as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) are given below:

- The aggregate lease rentals payable are charged to the Statement of Profit and Loss as Rent in Note 39.
- The leasing arrangements which are cancellable at any time on month to month basis and in some cases between 11 months to 5 years are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally interest free refundable deposits have been given.
- Disclosure in respect of leasing arrangements which are non cancellable for a period exceeding 5 years is as under :

(' In Lacs)

Particulars	As at 31-March-2016	As at 31-March-2015
Total of Future minimum lease payment under non-cancellable operating lease for each of the following periods :		
Not later than one year	244.23	239.97
Later than one year and not later than five years	416.87	543.74
later than five years	295.71	382.58
Lease payment recognised in Statement of Profit & Loss	253.41	263.59

NOTE : 35 EARNING PER SHARE

Pursuant to the Accounting Standard - 20 - Earning per share, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure is as under:

Particulars	For the year ended 31-March-2016	For the year ended 31-March-2015
Net Profit available for Equity Share Holder (' In Lacs)	7908.10	9606.90
Weighted Avg. Number of Shares used in computing Earning per Share Basic & Diluted	256742040	256742040
Earning per Share (Face Value : 10/-) Basic & Diluted (In `)	3.08	3.74



NOTE : 36 DEFERRED TAX

Pursuant to the Accounting Standard - 22 - Accounting for taxes on income, as prescribed under Companies (Accounting Standard) Rules, 2006 (as amended) the disclosure is as under:

(' In Lacs)		
	As at 31-March-2016	As at 31-March-2015
a) Deferred Tax		
Deferred Tax Liability on account of		
(i) Depreciation	8096.39	7212.31
Total	8096.39	7212.31
Deferred Tax Assets on Account of		
(i) Leave Encashment & Gratuity	149.05	129.88
(ii) Provision for Doubtful debts	13.82	16.81
(iii) Bonus	26.97	22.79
Total	189.84	169.48
Net Deferred Tax Liability	7906.55	7042.83

b) In accordance with the Accounting Standard 22, the deferred tax Liability of ₹ 863.72 Lacs (P.Y. ₹ 608.09 Lacs Lacs) for the year has been recognised in Profit & Loss Account.

NOTE : 37 CONTINGENT LIABILITIES AND COMMITMENTS

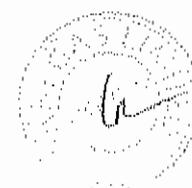
(' in Lacs)		
Particulars	As at 31-March-2016	As at 31-March-2015
A) Contingent Liabilities		
i) Pending labour matters contested in various courts	204.40	204.40
ii) Cases pending in Consumer Forums	2.59	2.23
iii) Cases pending in MACT	10.00	10.00
iv) In respect of Service tax & Excise Duty	4358.34	4348.75
v) In respect of Income tax	280.23	547.24
vi) Special Civil Suits	25.00	25.00
vii) Bank Guarantee on behalf of JV company	250000.00	73386.00
ix) Claims received but not acknowledged as Debt		
- Take or pay liability towards gas procurement of Ahmedabad and Vadodara	0.00	5147.35
x) Case pending in CCI	2567.00	2567.00
Total A	257457.56	86237.98
B) Commitments		
i) Capital		
Estimated amount of contracts on capital account to be executed and not provided for (Net of advances)	1958.22	1857.37
ii) Others (Net of advances)		
	0.00	0.53
Total B	1958.22	1857.90
Total (A+B)	259415.78	88095.89

NOTE: 38 Pursuant to Accounting Standard (AS 27) - Financial Reporting of Interest in Joint Venture, the disclosure relating to the Joint Venture are as follows:

Jointly Controlled Entity

The proportionate share of assets, liability, income and expenditure, contingent liability and capital

Particulars	(' In Lacs)	
	2015-16	2014-15
Country of Incorporation	India	
% of Ownership Interest	50%	
Liabilities	6748.67	1996.88
Assets	11614.76	3084.12
Income	8.18	0.48
Expenditure	248.10	29.74
Profit/(Loss) for the year	(239.92)	(30.31)
Contingent Liabilities	0.00	-
Capital Commitments	6910.72	1896.53



NOTE : 39 OTHER DISCLOSURE

- a) The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- b) In the opinion of the Management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than fixed assets and non-current investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- c) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the company, as agreed upon between group companies.
- d) The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.
- e) An amount of ₹. 998.62 Lacs (P.Y. ₹ 930.99 Lacs) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the company has made application to the excise & service tax dept. for availing this credit of ₹. 686.88 Lacs in statutory returns. Out of balance credit of ₹. 311.73 Lacs, Service tax credit of ₹. 42.78 Lacs will be availed in April-16 and balance will be availed in statutory returns on consumption of inputs & capital goods.
- The Fixed Assets/ Expenses of the company is understated to the extent of the CENVAT credit, taken by the company and the same will be charged to respective assets / revenue if, the claim of the company for CENVAT credit is not accepted by the department.
- f) Company has given certain refundable deposits as security for the performance of work for ongoing projects to various government, authorities. As interest rates are not specified in the contracts, the same will accounted for in the year in
- g) The company is in the process to review and reconcile its liabilities in connection with Retention Deposits, some of which are long outstanding. Effect of the same will be given in the year when the balances will be reconciled.
- h) Security Deposit include amount of Rs. 209.14 Lacs and interest due thereon of Rs. 150.81 Lacs are outstanding for a substantial period of time. The company has been actively negotiating for recovery and the management is reasonably confident of recovery against the same.
- i) During the year, the company has suspended/ abandoned certain projects on account of denial of permission from the regulatory authority. Accordingly, expenses incurred on those projects have been written off and are reflected under Exceptional item.
- j) Information regarding purchases, sales and stock:

Particulars	For the year ended		For the year ended	
	31-Mar-16		31-Mar-15	
	Quantity (MMSCM)	In Lacs	Quantity (MMSCM)	In Lacs
Opening Stock	3.49	728.45	2.96	1299.17
Purchase during the year	783.83	75264.18	395.61	98706.58
Conversion to CNG	212.34	41637.15	206.29	51174.21
Sales during the year	171.47	57420.35	188.79	78991.16
Closing stock	3.51	762.71	3.49	728.45

Particulars	For the year ended		For the year ended	
	31-Mar-16		31-Mar-15	
	Quantity (MMSCM)	In Lacs	Quantity (MMSCM)	In Lacs
Opening Stock	0.08	16.25	0.07	29.64
Conversion from PNG	212.34	41637.15	206.29	51174.21
Sales during the year	209.43	54258.97	203.55	53703.35
Captive Consumption of Natural Gas for manufacturing of CNG	2.91	602.17	2.73	617.10
Closing stock	0.08	16.80	0.08	16.25

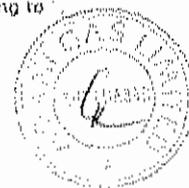
Notes:

- 1) Difference in reconciliation of opening stock, purchase, sales and closing stock of gas quantities is on account of measurement tolerance
- 2) CNG is purchased in SCM but is sold in Kgs. 1 kg of CNG is equivalent to 1,3524 SCM

- k) Value of Stores and Spares consumed:

Particulars	(' in Lacs)	
	For the year ended	For the year ended
	31-March-2016	31-03-2015
a) Imported	3.92	0.00
b) Indigenous	1267.35	2235.15
Total	1,271.27	2,235.15

- l) Consumption of Stores and Spares disclosed in Note: 30 "Other expenses" includes Consumption amounting to ₹88.30 (P.Y. ₹ 764.90) towards Sale of Inventory.



NOTE : 40 OTHER STATUTORY INFORMATION**a) Value of Imports calculated on CIF Basis in respect of**

(' in Lacs)

Particulars	For the year ended 31-March-2016	For the year ended 31-03-2015
Capital Goods	299.16	368.57

b) Expenditure in Foreign Currency

(' in Lacs)

Particulars	For the year ended 31-March-2016	For the year ended 31-03-2015
Travelling Exp	-	-
Professional Fees	-	-

NOTE : 41 PREVIOUS YEAR COMPARATIVES

Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further the figures have been rounded off to the nearest rupees in Lacs in 2 decimal.

The accompanying notes are an integral part of the financial statements
As per our attached report of even date

FOR DHARMESH PARIKH & CO.
Chartered Accountants
Firm Registration No. 112054W

FOR & ON BEHALF OF THE BOARD

ANUJ JAIN
Partner
Mem No. 119140

NARESH Poddar
CFO

PRANAV ADANI
Director
DIN 00008457

HARDIK SANGHVI
Company Secretary

SHRIDHAR TAMBRAPARNI
Whole time Director
DIN 07131658

Place: Ahmedabad
Date: 2nd May 2016

Place: Ahmedabad
Date: 2nd May 2016



FINANCIAL INDEBTEDNESS

Pursuant to our Articles of Association and subject to applicable laws, our Board is authorised to borrow sums of money for the purposes of our Company, with or without security, upon such terms and condition as may be approved by the lenders from time to time.

As on March 31, 2018, our Company has total outstanding secured and unsecured borrowings of Rs. 53,307.68 Lakhs on a consolidated basis.

Set forth below is a brief summary of our aggregate consolidated borrowings as of June 30, 2018:

(Rs. in Lakhs)

Category of Borrowing	*Secured Loans	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year			
i) Principal Amount	34,763.07	-	34,763.08
ii) Interest due but not paid			
iii) Interest accrued but not due	101.84	-	101.84
Total (i+ii+iii)	34,864.91		34,864.91
Change in Indebtedness upto 30th June, 2018			
Addition	11,250.00	10,000.00	2,150.00
Reduction	3107.15	0.00	3107.15
Net Change	8142.85	10,000.00	18,142.85
Indebtedness as on 30th June, 2018			
i) Principal Amount	43,007.76	10,000.00	53,007.76
ii) Interest due but not paid	0.00	0.00	0.00
iii) Interest accrued but not due	299.92	0.00	299.92
Total (i+ii+iii)	43,307.68	10,000.00	53,307.68

* Secured loans excluding deposits.

Key terms of secured and unsecured borrowings availed by our Company are disclosed below.

- **Tenor and interest rate for borrowings availed by our Company:** Our Company has availed fund based and non-fund based facilities from HDFC Bank Limited, ICICI Bank and IndusInd Bank For the fund based facilities, **tenor ranges from 1 year to 5 years**. The interest rate for funds based facilities ranges from 8.5 percent per annum to 10 percent per annum. The unsecured borrowings are repayable on demand.
- **Security:** Secured borrowings of our Company typically include:
 - hypothecation on the moveable project assets, movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, goodwill, intellectual property and uncalled capital;
 - Corporate guarantees by our Company;
 - Mortgage on Present and Future Immovable properties, including project sites
- **Pre-payment:** The loans availed by our Company typically have prepayment provisions, either voluntarily or mandatorily, which allows for pre-payment of the outstanding loan amount, subject to payment of such prepayment penalties ranging from 0.50% to 2.00% as laid down in the facility documents. However, in certain facilities, voluntary prepayment is permitted without prepayment penalties with 15 to 30 days' prior notice from the Company on the condition as laid down in the facility documents.



- **Events of Default:** Borrowing arrangements of our Company typically contain standard events of default, including:
 - 1) non-payment or default in payment of any repayment instalments, interest, LC Commission or LUT Commission or any other sums payable to the lenders;
 - 2) breach of any covenants, conditions, representations or warranties;
 - 3) initiation of proceedings relating to winding up, bankruptcy, dissolution, appointment of receivers or trustees etc.;
 - 4) non-performance or non-compliance of the Terms of the borrowing arrangements; and
 - 5) Unenforceability of any security or guarantee provided in respect of any of the loan facilities.
 - 6) on business of Borrower not stayed / dismissed within 90 days of receipt (voluntary or involuntary); any information provided Borrower is incorrect or untrue in material aspect
 - 7) occurrence of any event which is or is likely to be prejudicial to or impairs or imperils or jeopardizes or depreciates any security;
 - 8) the value of the any security depreciates entitling the Bank to call for further security and failure to provide such additional/alternate security;
 - 9) occurrence of any material adverse effect;
 - 10) appointment of a receiver in respect of any assets of the Borrower;
 - 11) Rating in no case less than "BBB"
 - 12) Cross default, beyond INR 250 Million.
 - 13) any attachment, distress, execution or other process against any Borrower, or third party enforcement of Security created in favor of Bank;
 - 14) If the Facility is utilized for any purpose other than the purpose for which it sanctioned.
 - 15) any change in the management control the Borrower without the prior consent of the Bank;
 - 16) Repudiation, termination, unenforceability or invalidity of any of the license, [if not cured within 60 days];
- **Consequence of events of default:** Upon the occurrence of an event of default under the facility agreements, among others, lenders may enter upon and take possession of the assets of the Company, enforce securities furnished to the lenders, suspend or further drawings, appoint Nominee Director and retain the right to convert the loan amount into full paid up equity shares of our Company in accordance with the facility agreements.
- **Restrictive covenants:** Our Company, under certain financing arrangements availed by them respectively, require the relevant lender's prior written consent for carrying out certain actions, including:
 - 1) Carrying on any business or activity in connection with the operation of the project and the additional projects;
 - 2) Taking any action of merger, consolidation, reorganization or amalgamation;
 - 3) Taking any action of wind up, liquidate or dissolve its affairs;
 - 4) Amend or modify the Memorandum or Articles of Association;
 - 5) To alter or change its shareholding pattern or its capital structure;
 - 6) Prepaying any loans;
 - 7) Make any amendment of or modify any of the transaction documents;
 - 8) To undertake any new projects;
 - 9) Incorporating any subsidiaries; and
 - 10) Making payments in respect of any subordinate debts provided by promoters and sponsors.
- **Financial covenants:** Our Company, under certain financing arrangements, are required to maintain certain financial ratios, inter alia, security margin, Total Debt/Adjusted Total Net Worth, Total Debt/EBIDTA, OSCR (As per Rupee Term Loan Agreement) in accordance with the facility agreements executed by them.



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the sections entitled "Financial Statements" and "Risk Factors" on page no 20B and page no 20, respectively. This discussion and analysis contains forward-looking statements and involves various risks and uncertainties and our actual results may differ materially from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in this section and in the section entitled "Risk Factors" and "Forward-Looking Statements on pages 20 and 19, respectively. Unless otherwise stated, our financial information used in this section has been derived from Audited Financial Statements. The Company's financial year ends on March 31; therefore, all reference to a particular financial year are to the 12-month period ended March 31 of the year.

Results of Operations

The following table sets out data from our statement of profit and loss, in absolute terms and as a percentage of our total revenues:

Particulars	AGL Standalone	
	For the period ended June 30, 2018	
	(Rs. In Lakhs)	% of Total Revenue
Revenue:		
Revenue from operations	39,585.21	97.32
Other income	1,092.05	2.68
Total Revenue	40,677.26	100.00
Expenses:		
Cost of Materials consumed	8,448.83	20.77
Purchase Of Stock In Trade	15,050.10	37.00
Changes In Inventory of Finished Goods, Work In Progress & Stock In Trade	49.79	0.12
Excise duty on Sale of Compressed Natural Gas (CNG)	2341.98	5.76
Employee benefits expense	1,223.21	3.01
Finance costs	1,059.53	2.60
Depreciation and amortisation expense	1,586.81	3.90
Other expenses	2,549.48	6.27
Total expenses	32,309.73	79.43
Profit/(Loss) before tax	8,367.52	20.57
Tax expense:		
Current tax	2728.00	6.71
Adjustment of tax relating to earlier periods	0.00	0.00
Deferred Tax	205.03	0.50
Profit / (Loss) for the year / period / year (Total A)	5,434.50	7.21
Other Comprehensive Income		
Items that will not be reclassified to profit or loss Remeasurement of defined benefit plans (net of tax)	3.55	0.01
Other Comprehensive Income (After Tax) (Total B)	3.55	0.01
Total comprehensive Profit/ (Loss) for the year / period (Total A + B)	5,438.05	13.37



Particulars	AGL Standalone For the period ended March 31, 2018		AGL Standalone For the period ended June 30, 2018	
	(Rs. in Lakhs)	% of Total Revenue	(Rs. in Lakhs)	% of Total Revenue
	Revenue:			
Revenue from operations	1,38,529.68	99.41	39,585.21	97.32
Other income	828.12	0.59	1,092.05	2.68
Total Revenue	1,39,357.80	100.00	40,677.26	100.00
Expenses:				
Cost of Materials consumed	28,736.02	20.62	8,448.83	20.77
Purchase Of Stock In Trade	51,293.43	36.81	15,050.10	37.00
Changes in Inventory of Finished Goods, Work In Progress & Stock In Trade	64.08	0.05	49.79	0.12
Excise duty on Sale of Compressed Natural Gas (CNG)	8,398.54	6.03	2,341.98	5.76
Employee benefits expense	3,828.22	2.75	1,223.21	3.01
Finance costs	4,522.24	3.25	1,059.53	2.60
Depreciation and amortisation expense	6,101.17	4.38	1,586.81	3.90
Other expenses	9,684.65	6.95	2,549.48	6.27
Total expenses	1,12,628.35	80.82	32,309.73	79.43
Profit/(Loss) before tax	26,729.45	19.18	8,367.523	20.57
Tax expense:				
Current tax	8,282.00	5.94	2,728.00	6.71
Adjustment of tax relating to earlier periods	45.08	0.03	0.00	0.00
Deferred Tax	1,111.97	0.80	205.03	0.50
Profit / (Loss) for the year / period / year (Total A)	17,290.40	12.41	5,434.50	13.36
Other Comprehensive Income				
Items that will not be reclassified to profit or loss Remeasurement of defined benefit plans (net of tax)	14.19	0.01	3.55	0.01
Other Comprehensive Income (After Tax) (Total B)	14.19	0.01	3.55	0.01
Total comprehensive Profit/ (Loss) for the year / period (Total A + B)	17,304.59	12.42	5,438.05	13.37

Discussion on our Results of Operations

Results of operations for the period ended June 30, 2018 on a standalone basis

Revenue

The Company had total revenue of Rs. 40,677.26 Lakhs, which comprised of revenue from operations and other income.

Revenue from operations: The Company's revenue from operations for the period ended June 30, 2018 totalled Rs. 39,585.21 Lakhs, which was derived from Gas supply.

Other income: The Company's aggregate other income for the period ended June 30, 2018 was Rs. 1,092.05 Lakhs, primarily on account of interest income on ICD [Inter Corporate Deposit] and Gain from Mutual Fund.

Total expenses: The Company's total expenses for the period ended June 30, 2018 were Rs. 32,303.73 Lakhs, which primarily comprised of the following expenses:

Cost of Raw Material Consumed: The Company's Cost of Raw Material consumed for the period ended June 30, 2018 totalled Rs. 8,448.83 Lakhs.



Purchase of Stock-in-Trade: For the period ended June 30, 2018 the company incurred Rs. 15,050.10 for Purchase of Stock-in-Trade.

Employee benefits expenses: The Company's employee benefits expenses for the period ended June 30, 2018 totalled Rs. 1,223.21 Lakhs. These were principally attributable to salaries and bonus to employees, contribution to provident and other employee benefit funds and expenditure incurred in relation to staff welfare activities.

Finance cost: For the period ended June 30, 2018, the Company incurred finance cost of Rs. 1,059.53 Lakhs resulting primarily from interest paid on Term loan, Security Deposit and Bank & Other financial charges.

Other expenses: The Company's other expenses for the period ended June 30, 2018 totalled Rs. 2,549.48 Lakhs, which was principally attributable to Consumption of stores and spare parts 338.64 Lakhs, Power and fuel 739.69 Lacs, Repairs to machinery 345.72 Lacs, Legal and Professional Fees 401.49 Lacs.

Profit before tax: The Company's profit before tax for the period ended June 30, 2018 was Rs. 8,367.53 Lakhs.

Tax expenses: For the period ended June 30, 2018, the Company incur Rs 2,933.03 for tax expense.

Other Comprehensive Income: Other Comprehensive Income of the Company for the period ended June 30, 2018 was Rs. 3.55 Lakhs.

Total comprehensive Profit: As a result of the factors outlined above, the Company's total comprehensive income for the period ended June 30, 2018 was Rs. 5,438.05 Lakhs.

Results of operations for the financial year ended on March 31, 2018 on a standalone basis

Revenue

The Company had total revenue of Rs. 1, 39,357.80 Lakhs, which comprised of revenue from operations and other income.

Revenue from operations: The Company's revenue from operations for the period ended March 31, 2018 totalled Rs. 1,38,529.68 Lakhs, which was derived from Gas supply.

Other income: The Company's aggregate other income for the period ended March 31, 2018 was Rs. 828.12 Lakhs, primarily on account of Net Gain on sale of Current Investments Rs 368.55Lakhs and from Corporate Guarantee Income Rs 247.14 Lakhs

Total expenses: The Company's total expenses for the period ended March 31, 2018 were Rs. 1,12,628.35 Lakhs, which primarily comprised of the following expenses:

Cost of Raw Material Consumed: The Company's Cost of Raw Material consumed for the period ended March 31, 2018 totalled Rs 28,736.02 Lakhs.

Purchase of Stock-in-Trade: For the period ended March 31, 2018 the company incurred Rs 51,293.43 for Purchase of Stock-in-Trade.

Employee benefits expenses: The Company's employee benefits expenses for the period ended March 31, 2018 totalled Rs. 3,828.22 Lakhs. These were principally attributable to salaries and bonus to employees, contribution to provident and other employee benefit funds and expenditure incurred in relation to staff welfare activities.

Finance cost: For the period ended March 31, 2018, the Company incurred finance cost of Rs. 4,522.24 Lakhs resulting primarily from interest paid on Term loan, Security Deposit and Bank & Other financial charges.

Other expenses: The Company's other expenses for the period ended March 31, 2018 totalled Rs. 9,684.65 Lakhs, which was principally attributable to Consumption of stores and spare parts Rs 960.92 Lakhs, Power and fuel Rs 2,679.78 Lacs, Repairs to machinery Rs 1,661.23 Lacs, Legal and Professional Fees Rs 918.36 Lacs.

Profit before tax: The Company's profit before tax for the period ended March 31, 2018 was Rs. 26,729.45 Lakhs.

Tax expenses: For the period ended March 31, 2018, the Company incur Rs 9,439.05 for tax expense.

Other Comprehensive Income: Other Comprehensive Income of the Company for the period ended March 31, 2018 was Rs. 14.19 Lakhs.

Total comprehensive income: As a result of the factors outlined above, the Company's total comprehensive income for the period ended **March 31, 2018** was Rs. 17,304.59 Lakhs.

Liquidity and Capital Resources

We operate in a capital-intensive sector, and we have financed the development of the projects with a combination of equity and debt financing from the Promoters, borrowings from commercial banks, financial institutions and related parties, and cash flows from operations. Project development costs have been largely capitalized during Project



development. Once the projects become Operational, our liquidity requirements relate to servicing and repaying indebtedness, funding working capital and new project development and maintaining cash reserves.

We believe that our stable long-term recurring revenue and our low receivable cycles along with our integrated, in-house approach to solar project development will allow us to maximize internal cash accruals for future development.

Cash Flow Data

The table below summarizes our cash flow for the periods indicated:

Particulars	(Rs. in Lakhs)	
	For the period ended June 30, 2018	For the Year Ended on March 31, 2018
Net cash (used in) / generated from flow from operating activities	7,683.82	28,989.75
Net cash (used in) in investing activities	(2,346.16)	(5,849.54)
Net cash generated from financing activities	18,296.28	(21,622.85)
Net increase in cash and cash equivalents	23,633.94	1,517.36
cash and cash equivalents at the beginning of the year	3,634.52	2,117.16
cash and cash equivalents at the end of the year / period	27,268.46	3,634.52

Net cash (used in) / generated from flow from operating activities

Net cash used in operating activities for the year ended June 30, 2018 was Rs. 7,683.82 Lakhs. Adjustments to reconcile operating profit before working capital changes of Rs. (740.88) Lakhs to net cash used in operating activities was primarily for (A) increase in, (i) trade receivables of Rs. (542.25) Lakhs, (ii) inventories of Rs. (19.19) Lakhs and (iii) other Non-financial assets of Rs. (102.18) Lakhs, other Financial Liabilities Rs. (815.75) Lakhs, Trade payables of Rs. 205.41 Lakhs and Other Non-Financial Liabilities of Rs. 797.44 Lakhs and Provision of Rs. (271.55).

Net cash (used in) in investing activities

Net cash used in investing activities was Rs. 2,346.16 Lakhs for the year ended June 30, 2018, which primarily consisted of Capital expenditure on Property, Plant and Equipment including capital advances Rs. 2,734.09 Lakhs.

Net cash generated from financing activities

Net cash from financing activities was Rs. 18,296.28 Lakhs for the year ended June 30, 2018 and comprises proceeds from long-term borrowings of Rs. 9,450 Lakhs, Repayment of Long-Term Borrowings (1,213.24) Lakhs and Proceeds from Commercial Paper 10,000.00 Lakhs

Contingent Liabilities

For details of our contingent liabilities, please see the section entitled "Risk Factors" on page no. 24.

Quantitative and Qualitative Disclosures about Market Risk

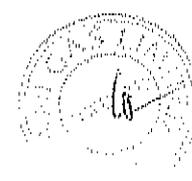
Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates.

Interest Rate Risk

We have floating rate indebtedness with banks and other financial institutions and thus are exposed to market risk.

Exchange rate risk

Major purchases of material we use for our projects, such as modules and inverters, are transacted in U.S. dollars. Consequently, we are exposed to foreign exchange risk on purchases from overseas suppliers. The exchange rate between the Indian rupee and the U.S. dollar has fluctuated significantly in recent years and may continue to fluctuate in the future. Depreciation of the Indian rupee against the U.S. dollar can adversely affect our results of operations. As we continue to have significant capital expenditure plans, and some of this capital expenditure will be incurred in foreign currencies, we use various tools such as foreign currency forward and option contracts to periodically hedge currency risk in accordance with our foreign exchange risk management policy.



Recent accounting amendments

IND AS 115 – Revenue from Contracts with Customer (Ind AS 115)

The Ministry of Corporate Affairs (MCA), on 28 March 2018, notified Ind AS 115, Revenue from Contracts with Customers (which is based on IFRS 15, Revenue from Contracts with Customers) as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after 1 April 2018, thus aligning the Ind AS 115 applicability date with the IFRS applicability date i.e. 1 January 2018.

Ind AS 115 replaces existing revenue recognition standards Ind AS 11, Construction Contracts and Ind AS 18, Revenue and revised guidance note of the Institute of Chartered Accountants of India (ICAI) on Accounting for Real Estate Transactions for Ind AS entities issued in 2016.

AGL is engaged in City Gas Distribution (CGD) business specially sell of Piped Natural Gas (PNG) to Industrial, Commercial/Non Commercial, Domestic(residential)customers and Compressed natural Gas (CNG) through the CNG Stations. It operates in four regions – Ahmedabad, Vadodara, Faridabad and Kurja.

Brief Facts of Each segment is given below table with its current accounting treatment.

- PNG Business :
 - Domestic Connection
 - Industrial Connection
 - Commercial/Non Commercial Connection

Current Accounting Practise: Revenue from Sales of Gas is accounted as and when invoice is generated. Initial Connection charges are accounted as revenue on receipt. Fees Charged by Payment gateway are accounted as an expenses. The discounts (if any) offered by these Paymnet platforms are on their account.

- **CNG Business – Owned CNG Stations**

In the Company Owned Company Operated (COCO) model the end customers is considered as AGL's customer and revenue is accounted at the time of raising of invoice. Further Operator commission is accounted as expenses each month.

In the Company owned Delaer Operated (CODO) model revenue is accounted at dealer price on the sale to end customer.

- **CNG Business – COLocated**

Revenue is accounted on sale to end customer at the OMC Price

Impact Analysis

1) On transition to Ind AS, below guidance were assessed as not applicable. Given that there is no change in the business, the same assessment could be continued:

- a) Guidance on Service Concession Arrangement for the CGD network as per Appendix C to Ind AS 11.
- b) Guidance on rate regulated activities as per Ind AS 114
- c) Guidance on embedded lease as per Appendix C to Ind AS 17, in case of Co-located model for sale of CNG on Account of the same being immaterial

On account of the above, it could be said that the revenue recognition would be fully covered by Ind AS 115.

Connection form / agreement can be considered as a legally enforceable contract in accordance with para 9 of Ind AS 115 since:

- It demonstrates the approval of both the parties of the terms and conditions stated in the contract.
- It specifies the rights and obligation of both the parties. As per the scope of work AGL is obliged to supply Gas. Payment terms are also specified in the contract.
- Collection of consideration is probable as the Company has collected payment security deposit from the customers. Furthermore, in case of PNG business at the time of giving initial connection the company performs detailed background check of the prospective customer by collecting identity proofs such as PAN card, Aadhar Card, Income tax return etc. For sales from the CNG stations, the customers being reported OMCs or dealers where appropriate diligence is done before execution of the contracts and sales from the COCO model being either made in cash or credit card, collectability is not expected to be a challenge.

Degree of Impact Assesses of Above Analysis: NA



- 2) **As per para 22, at contract inception, the Company shall assess the goods or services promised in a contract with a customer and shall identify a promise to transfer the goods or service that is distinct as a separate performance obligation. Goods or services are distinct only if they are capable of being distinct individually and are distinct in the context of the contract**

A promise to transfer gas represents a promise to transfer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer as:

- The gas is distinct as (a) a customer can benefit from gas on its own (i.e. customer can consume gas without any further modifications) and (b) the promise to transfer gas is separately identifiable in the contract.
- Each delivery of gas in the series that the entity promises to transfer to the customer meets the criteria to be a performance obligation satisfied over time and the same method will be used to measure the entity's progress towards complete satisfaction of the performance obligation to transfer each distinct delivery of gas in the series to the customer.
- As analysed on the subsequent slide, the initial connection provided to the customer would not be considered as a separate performance obligation.

Degree of Impact Assesses of Above Analysis: NA

- 3) **Sale of PNG – The price per unit charged by AGL. Would be considered as a transaction price.**

- Sale of CNG – COCO Model – As analysed under Ind AS 18, the operator is an agent accordingly, commission paid to him would be accounted as an expense. The amount charged / billed to the end customer will be considered as the transaction price.
- Sale of CNG – COCO Model – It would need to be analysed whether the dealer is acting as a principal or an agent. Some of the indicators to be considered are:
 - a) Whether the dealer obtains control of the CNG, even though momentarily, prior to sale of the same to the end customer.
 - b) Whether the dealer could be considered to be the primary obligor to the customer i.e. would he be responsible to the customer for any damages.
 - c) Whether, the dealer undertakes any promotional activities on his own for the purposes of increasing the sales.
 - d) Whether the dealer's return (difference between the dealer price and the price to the end customer) get affected in case of changes in the prices to the end customer i.e. is he exposed to variability or is his return secured.
 If answer to the above is affirmative, Dealer price should be considered as a transaction price. Otherwise, MRP should be considering as a transaction price and the difference between dealer price and MRP would be considered as cost separately.
- Sale of CNG – Co-located CNG Station – State owned oil companies could be considered as a principal since responsibility for acceptance of good lies with them.

Degree of Impact Assesses of Above Analysis: NA

- 4) **Since there is single performance obligation for supply of gas as determined in step 2 entire transaction price agreed in the contract should be allocated to the single performance obligation of supply of gas.**

Degree of Impact Assesses of Above Analysis: NA

- 5) **As per Para 31, the Company shall recognise revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.**

- Further, as per Para 32, the Company shall determine at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.
- Ind AS 115 includes a practical expedient that allows entities to recognize revenue in the amount at which the entity has a right to invoice, if that amount corresponds directly with the value to the customer of the entity's performance to date. This would typically be the case when an entity bills a customer a fixed amount for each hour of service or for each unit provided.
- The Company is supplying the gas to the customer under the contractual terms. It could be said that measure of progress of the performance obligations identified in step 2 is quantum of units produced and supplied. Accordingly, based on the practical expedient, revenue can be recorded as a product of units supplied and fixed rate agreed under contract.

Degree of Impact Assesses of Above Analysis: NA



- 6) In accordance with para B4B and B49 of Ind AS 115 initial connection charges collected at the contract inception does not result in transfer of promised goods or service. Instead, the charges paid are advance payment for future goods or services and, therefore, would be recognised as revenue when those future goods or services are provided. The initial connection charges collected are for additional connection which is necessary for supply of gas.

- **Degree of Impact Assesses of Above Analysis: Under Consideration**

Significant Factors affecting our Results of Operations

Allocation of Domestic Gas

About 50% of our revenues are generated from CNG & PNG (Domestic) sales which generate significant EBITDA. This is mainly because of the significantly low cost of Domestic Gas (vis-à-vis RLNG) which is allocated by Govt of India as per its Policy for CNG & PNG (Domestic) segment. As a result, the key factor which affects our results of operations is the continuation of allocation Domestic Gas by Govt. of India.

Project operations and generation

Our revenue is primarily a function of the volume of gas sold by our various assets. Our ability to operate our pipeline network and CNG Stations in an efficient and cost-effective manner is key to our net earnings and health of our assets. Going forward, the volume of natural gas sold during a particular period shall be outcome of our increasing penetration in our existing operating areas and the number of projects that would commence commercial operations.

The volume of natural gas sold by our projects will be negatively affected if there is delay in securing various permissions, ability to lay pipelines in scheduled time periods, downtime of CNG equipments and third party damages to pipelines resulting in business loss.

We use reliable and proven equipments, vendors, contractors. We believe this significantly reduces the probability of project delays and equipment failures.

Projects commissioning; development income and expense

Our projects are a mix of Operational and Under-planning projects. Speed of execution of the projects is the key for our Company and typically, it takes a period of approximately 12-18 months from the time we win a bid until the particular project is commissioned. As a result, going forward, our revenues for any particular period will be affected by the commissioning dates of our newly won projects.

Our Operational projects' development-related expenses were capitalized during the time they were under construction. Going forward, development-related expenses for our projects that are under planning & construction, for which bids are won by us, will also be capitalized. Upon these projects becoming operational, such capitalized expenses will be depreciated across the useful life of the project.

Creditworthiness of off-takers

We generally receive payments due to us from our customers in full, and on a timely basis. We closely monitor payment receivables from our customers for the gas usage. Our recovery rate for Domestic, Commercial, Industrial customers on due date is 85%, 95% and 95% respectively. We also have strong security mechanism to cover the credit risk especially for the high value customers in Industrial and commercial segment.

Financing costs and capital expenditure costs

CGD network development and construction are capital intensive requiring high initial CAPEX spend followed by continuous annual CAPEX for expansion and customer connections. We incur costs and expenses for the purchase of steel pipes, MDPE pipes, Compressors, Dispensers, Meters, Valves, Fittings, Communication equipments, purchase of land for City Gate Station, building for Office and Stores, undertaking feasibility studies and construction and other development and maintenance costs. Any changes in laws, rules and regulations could require us to make capital improvements to our projects.

We have financed the development of the projects with a combination of equity and debt financing, borrowings from commercial banks, financial institutions and related parties, and cash flows from operations. The variable interest rates change when the underlying benchmark changes and the fixed interest rates have a provision for periodic resets. Higher interest rates (or lower interest rates) result in increases (or reduction) to our cost of project.

Depreciation and amortization

Depreciation expenses are the second largest component of our expenses. Depreciation and amortization expense is recognized using the WDV method over the estimated useful life of our solar projects.

Construction in progress is not depreciated until such projects are commissioned.



Bidding for additional projects

We expect to continue to grow principally by selectively competing in bidding for the right to develop and operate new CGD projects in various Geographical Areas. The bidding process for CGD projects in India is carried out by Petroleum and Natural Gas Regulatory Board under its Regulations for authorisation. Our continued success in bidding is dependent upon the aggressiveness of our competitors, the extent to which Indian Central Government continues to allocate 100% of Domestic gas to the CGD sector for supplying to CNG and PNG (Domestic) segments.

Although we intend to compete actively for new projects, changes in any of the above factors could affect our competitive strategies and/or ability to compete effectively in our present markets.

Government Incentives

CGD Sector currently enjoys highest priority from Govt. of India and as result it has been allocated 100% domestic gas for supplying to CNG and PNG (Domestic) segments. Even though this may be at the cost of curtailing the domestic gas supplies to other important sectors of the economy such as fertiliser, power, steel, refineries, petrochemicals.

The profitability of CGD projects is dependent on domestic gas allocation policy of Govt of India and taxation on natural gas. Inclusion of natural gas under the GST umbrella shall help it become competitive in the Industrial segment and shall boost consumption by Industries.

Competitive Strengths and Outlook on opportunities

The Company operates in a highly competitive and rapidly changing market and has competitors in each of our business segments on a local, regional, national level. Although barriers to entry are high in our businesses due to the regulatory exclusivity and dependency on Govt. for gas allocation. However we continue to face competition from various other fuels.

The Company continues to strengthen its position by successfully differentiating its product and service offerings, increasing the scale of its operations and competitive sourcing of gas. Further, the group wide business transformation program aims to deliver a large scale competitive advantage and use of technology for its advantage.

Internal Control Systems

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

A well-established multidisciplinary Management Audit & Assurance Services consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive internal audits throughout the year, cutting across all functional areas and submits its reports to Management and Audit committee about risk management, compliance with internal controls and efficiency and effectiveness of operations. Some key features of the Company's internal control systems are:

- Adequate documentation of policies and guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- The Company has a strong Compliance Management System which runs on an online monitoring system.
- Company has well-defined delegation of power with authority limits for approving revenue & capex expenditure.
- Internal audit is carried out in accordance with auditing standards to review design effectiveness of internal control systems & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommends improvement in processes and procedure.

Human Resources Strategy

A key priority for our Company is to focus on attracting, developing and retaining talented college graduates, with an emphasis on technical and leadership skills. We also put greater emphasis on developing and promoting internal talent as part of our people strategy. We assess internal candidates for their potential to take on enhanced responsibilities and leadership roles wherever possible, and this strategy ensures that we continue to have strong talent pipelines across all levels.

We recognise that for creating a sustainable organisation, identification of high potential employee's and training them for future organisational needs is crucial. Your Company partners with the employees to ensure timely interventions that help build a career that is long lasting. A lot of focus is being given to enhance people capability through a comprehensive Learning & Development management philosophy which includes Self Learning modules, Behavioral, Functional / Domain and Business related training covering employees across levels.

We are committed to fair employment practices and freedom of expression, supported by a strong, Companywide value system.



Significant Developments after March 31, 2018

1. In the recently concluded Round 9, AGL has won authorization for 13 GAs and together with its JV with IOC (IOAGPL) has additionally secured authorization for 9 GAs. After Round 9th Round, we have emerged as the largest city gas distribution ("CGD") companies in India with authorization / presence in 35 GAs.
2. The Dharwad-Hubballi CGD Project of JV – IndianOil-Adani Gas Pvt Ltd became operational on September 9, 2018



SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) material litigation, (iv) claims for any direct and indirect tax liabilities, in each case involving our Company, Directors, Promoters and Group Companies.

Our Board, in its meeting held on April 08, 2018 has adopted a policy for identification of material legal proceedings ("**Materiality Policy**"). For the purposes of disclosure, pursuant to the ICDR Regulations and the Materiality Policy (i) all pending litigation involving our Company, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of consolidated net worth of the Company as per the latest consolidated financial statements for the latest fiscal year, or (ii) such pending proceedings involving the abovementioned persons whose outcome may have a bearing on the business, operations or prospects or reputation of our Company, are considered 'material', and disclosed in this Information Memorandum.

It is clarified that for the purposes of the above, pre-litigation notices (other than those Issued by statutory or regulatory authorities) received by our Company, Directors, Promoters and the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of the Directors, Promoters and our Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided in this section is as of March 31, 2018. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

I. Outstanding Litigation Involving our Company

Criminal Proceedings involving our Company

1. Criminal proceedings against our Company
As on date of this Information Memorandum, there are no criminal cases that have been instituted against our Company.
2. Criminal proceedings by our Company
As on date of this Information Memorandum, there are no criminal cases that have been instituted by our Company.

Civil Proceedings involving our Company

1. A Petition has been filed by AGL before Supreme Court of India Challenging the Judgement of the Hon'ble High Court of Rajasthan at Jodhpur for Jaipur & Udaipur Cities (CGD Authorisation) against PNGRB, Union of India and Rajasthan Government. The matter is pending.
2. A Petition has been filed against PNGRB, Union of India; Green Gas Ltd challenging the rejection of CGD authorization for Lucknow city. The matter is pending.
3. A Petition has been filed before Gujarat High Court against PNGRB, Union of India and Gujarat Gas Ltd praying for quashing order dated 28.11.2003 of PNGRB in so far as it excludes Sanand, Dholaka and Bavla and quashing Public Notice dated 01.10.2015. Hon'ble Gujarat High court had dismissed our petition by order dated 28th Septemebr 2018, however we have filed Special Leave Petition before Supreme Court of India challenging the order of Gujarat High court. The matter is pending.
4. A Petition has been filed before Gujarat High Court against PNGRB and Vadodara Gas Ltd. and Union of India challenging rejection of authorisation to AGL by PNGRB for CGD Network in Vadodara. The matter is pending.
5. A Petition filed before Supreme Court of India against Ahmedabd Municipal Corporation (AMC) challenging the judgement of Gujarat High Court for levy of Property tax by AMC for underground pipeline. The matter is pending.
6. Faridabad Industries Association had filed a complaint against AGL to the Competition Commission of India (CCI) alleging abuse of dominant position by way of unilateral terms and conditions in Gas Sales Agreement to which Competition Commission of India (CCI) passed its orders against AGL and pass order levying penalty of Rs. 25.67 Crs.. AGL filed appealed against this order of CCI before Competition Appellate Tribunal (COMPAT) which is now transferred to National Company Law Appellate Tribunal (NCLAT) The matter is pending.
7. CL Educate Limited, New Delhi has filed a Special Leave to Appeal before the Hon'ble Supreme Court on India, Against the order of High Court of Punjab and Haryana at Chandigarh against Haryana Urban Development Authority ("HUDA"), AGL (Respondent No 14) and others (total 52 respondents) alleging arbitrary allotment of Institutional Plot in Faridabad and praying quashing of order of allotment of institutional plot at Faridabad made by HUDA. The matter is pending



8. A Petition has been filed by Gujarat Gas Ltd (GGL) against Adani Gas Ltd before PNGRB alleging unauthorised activity in area authorised to GGL i.e. outer Ahmedabad. The matter is pending.
9. A Petition has been filed by AGL before Delhi High Court seeking deemed authorization status for GA Faridabad (including Palwal) for grant of authorization. The matter is pending.

Actions by Statutory or Regulatory authorities against our Company

As on the date of this Information Memorandum, no actions have been taken by statutory or regulatory authorities against our Company.

Tax Proceedings Involving our Company

(Rs In Lakhs)		
Nature of Case	Number of Cases	Amount Involved
Direct Tax	15	352.72
Indirect Tax	24	5309.53

Material frauds against our Company

There have been no material frauds committed against our Company in the five (5) years preceding this Information Memorandum.

Inquiries, inspections or investigation initiated or conducted under the Companies Act 1956/ Companies Act, 2013

As on date of this Information Memorandum, there have been no inquiries, inspections or investigations have been initiated or conducted against our Company under the Companies Act, 1956/ Companies Act, 2013 during the past five (5) years.

Dues to Small Scale Industries

As on date of this Information Memorandum, our Company does not owe any small scale undertakings any amount which is outstanding for more than thirty (30) days. There are no disputes with such entities in relation to payments to be made to them.

Statutory Dues

As of the date of this Information Memorandum, there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) overdues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company.

II. Litigation involving our Promoters

A. Litigation filed against Gautam S. Adani

1. The Additional Director General, Directorate of Revenue Intelligence, Mumbai had issued a show cause notice (F.No.DRI/ AZU/INT-4/99-PT.IV) dated November 09, 2001 to AEL and Gautam Adani, Chairman, AEL and others. Gautam S. Adani had been asked to show cause as to why penalty should not be imposed against him under Sections 112 (a) and 112 (b) of the Customs Act, 1962 for aiding AEL in misuse of the advance license granted to a third party for the import of metallurgical coke and evasion of customs duty in relation thereof. The Commissioner of Customs, Kandla confirmed the demand of customs duty and imposed a penalty of Rs. 0.12 crores on Gautam S. Adani. CESTAT had stayed the said demand and penalty through its order dated October 30, 2003. CESTAT through its order dated February 12, 2007 set aside the order passed by the Commissioner of Customs, Kandla. The department has filed the civil application in the Supreme Court and a notice has been issued by the Supreme Court. The matter is currently pending for disposal.
2. The Commissioner of Customs, Ahmedabad has issued a show cause notice (F.No: VIII/48-03/Cus/SIB/09) dated February 27, 2009 to Gujarat Adani Aviation Private Limited ("GAAPL"), Gautam S. Adani and others, in connection with import of an aircraft, viz. Hawker 850 XP. Gautam S. Adani, Chairman and Managing Director of Adani Ports & Special Economic Zone Ltd and others have been asked to show cause why penalty should not be imposed on them under Section 112 (a) read with Section 140 of the Customs Act, 1962 for their acts of omission and commission for making false declaration / mis-statement before the custom authorities and misusing the aircraft in contravention of the provisions of the notification no.21/2002-Cus dated March 01, 2002. The Commissioner of Customs, Ahmedabad through order dated November 25, 2009 confirmed the duty demand, redemption fine and penalty including penalty of Rs. 1.00 crores on Gautam Adani. On appeal and due to a stay application before CESTAT, Ahmedabad, the CESTAT through order dated September 17, 2010, dispensed with pre-deposit of penalty and stayed its recovery during the pendency of appeal. The matter is currently pending for final disposal.



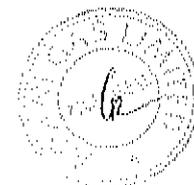
3. SFIO filed Criminal Complaint u/s. 420, 120B of IPC before the learned magistrate, Ballard Pier, Mumbai against Shri Gautam S Adani & Ors. The learned magistrate, Ballard Pier, Mumbai discharged him on the ground that no prima facie case is made out by SFIO against Shri Gautam S Adani. However, SFIO challenged that order before the Sessions Court at Mumbai by way of Criminal Revision. The same is pending for hearing.
4. Food Inspector Ajay Kumar Tripathi, North West Railway, Ratangarh file complaint under Prevention of Food Adulteration Act, 1954 under Sec.7/16 of Prevention Adulteration Act, 1954 before Judicial Magistrate First Class, Ratangarh bearing Case No.CC.125 of 2010 for one its product Vansapati Avsar against Adani Wilmar Limited, its Nominee and other accused's including Mr.Gautam S. Adani, Director, of Adani Wilmar Limited. Adani Wilmar Limited and Nominee have filed application under Sec.13(2) for re-analysis and same is pending for analysis

Litigation or legal action pending or taken by any ministry or government department or statutory authority against Gautam S. Adani during the last five years

There are no litigation or legal action pending or taken by any ministry or government department or statutory authority against Gautam S. Adani during the last five years.

B. Litigation filed against Rajesh S. Adani

1. The Directorate of Revenue Intelligence has issued a show cause notice (F.No.DRI/AZU/INQ-06/2006) dated September 11, 2009, requiring AEL and Rajesh S. Adani to show cause as to why (a) 26,945.98 kilograms of gold valued at Rs. 1,639.42 crores imported by AEL and 32,900.91 kilograms of gold valued at Rs. 2,161.81 crores, exported by AEL, should not be confiscated, (b) the goods exported declaring as "Studded Gold Jewellery" should not be disallowed towards fulfillment of export obligation against advance licenses and the provisional assessment should not be finalized by disallowing the value addition demand, (c) customs duty of Rs. 29.98 crores foregone on the import of goods by AEL under the advance license issued to AEL should not be demanded with interest, (d) a penalty should not be imposed under the provisions of the Customs Act, 1962 and (f) the bonds executed at the time of import should not be enforced towards duty liability and interest. The matter is currently pending.
2. The Directorate of Revenue Intelligence has issued a show cause notice (F.No.DRI/AZU/INQ-12/2009) dated December 31, 2009 to M/s. Inter Continental (India) and others, wherein AEL and Rajesh S. Adani have been made parties and asked to show cause as to why penalty should not be imposed on them under the provisions of the Customs Act, 1962, for various acts and omissions rendered by them in relation the import of gold and export of studded gold jewellery by M/s Inter Continental (India) under various schemes including the "Target Plus Scheme" and the erstwhile "Incremental Export Promotion Scheme". The matter is currently pending.
3. The Additional Director General, DRI, Ahmedabad had issued a show cause notice F.No.DRI/AZU/INV-4/2010 dated December 19, 2012 to AEL, Rajesh S. Adani and others, alleging that AEL has imported Gold and Silver Bars by utilizing the DFCE licenses invalidly obtained from DGFT against the exports of CPD during the year 2003-04 and the said DFCE licenses were obtained by AEL by taking into account the turnover of the re-export of imported CPD which was otherwise not permissible, AEL has been asked to show cause as to why the CPD exported by them during the year 2003-04 should not be held liable for confiscation and why penalty should not be imposed. Further, Rajesh S. Adani has been asked to show cause why penalty should not be imposed on him. The matter is currently pending.
4. The Enforcement Directorate, Bangalore had issued a show cause memorandum in relation to violation of provisions of the Foreign Regulation Act to AEL, Rajesh S. Adani and another. The same was adjudicated by the Deputy Director, Enforcement Directorate by imposing a penalty. However, it was set aside by the Appellate Tribunal and the matter has remanded to the Enforcement Directorate, Bangalore. The Deputy Director, Enforcement Directorate, Bangalore re-adjudicated the matter and through order dated March 25, 2008 imposed a penalty of Rs. 0.16 crores on AEL and Rs. 75,000 on Rajesh S. Adani. Aggrieved by the said order dated March 25, 2008, appeal was filed before the Special Director (Appeals), Commissioner of Income Tax (Appeals)-V, Chennai. The matter is currently pending.
5. The Special Director, Enforcement Directorate, Mumbai, has issued a show cause notice (F.No.T-4/B/B/SDE/KNR/2008) dated September 16, 2008 to AEL and others, including Rajesh S. Adani, alleging violation of FEMA by opening and investing in a wholly owned subsidiary without prior permission of the Reserve Bank of India. The Special Director, Enforcement Directorate, Mumbai through order dated May 11, 2009 adjudicated the said SCN, imposing an aggregate penalty of Rs. 4.10 crores on AEL and an aggregate penalty of Rs. 1.02 crores on Rajesh S. Adani. AEL and Rajesh S. Adani had filed an appeal before the Appellate Tribunal for Foreign Exchange, New Delhi, against the said order. The Appellate Tribunal for Foreign Exchange, New Delhi, through order dated October 26, 2009 quashed and set aside the impugned order dated May 11, 2009. Against which the department filed appeal before the High Court of Bombay. The High Court of Bombay through order dated December 09, 2011 remanded the matter to the Tribunal. On 3.7.2018 the Appellate Tribunal for Foreign Exchange, New Delhi [ATFE] dismissed the appeal filed by AEL & others and upheld the imposition of penalty. AEL & Rajesh S. Adani preferred an appeal at Gujarat High Court against ATFE order. The matter is currently pending.



6. The Commissioner of Customs, Ahmedabad has issued a show cause (F.No: VIII/48-03/Cus/SII8/09) notice dated February 27, 2009 to Gujarat Adani Aviation Private Limited and others, in connection with import of an aircraft, namely Hawker 850 XP. Rajesh S. Adani, Director of MPSEZL, have been asked to show cause why penalty should not be imposed on them under Section 112 (a) read with Section 140 of the Customs Act, 1962 for their acts of omission and commission for making false declaration/misstatement before the custom authorities and misusing the aircraft in contravention of the provisions of the notification no.21/2002-Cus dated March 01, 2002. The Commissioner of Customs, Ahmedabad through order dated November 25, 2009 confirmed the duty demand, redemption fine and penalty including penalty of Rs. 1.00 crores on Rajesh S. Adani. On appeal as well as stay application before CESTAT, Ahmedabad, the Tribunal through order dated September 27, 2010 dispensed with pre-deposit of penalty and stayed its recovery during the pendency of appeals. This matter is currently pending for final hearing.
7. SFIO filed Criminal Complaint u/s. 420, 120B of IPC before the learned magistrate, Ballard Pier, Mumbai against Shri Rajesh S Adani & Ors. The learned magistrate, Ballard Pier, Mumbai discharged him on the ground that no prima facie case is made out by SFIO against Shri Rajesh S Adani. However, SFIO challenged that order before the Sessions Court at Mumbai by way of Criminal Revision. The same is pending for hearing.
8. Food Inspector Ajay Kumar Tripathi, North West Railway, Ratangarh file complaint under Prevention of Food Adulteration Act, 1954 under Sec.7/16 of Prevention Adulteration Act, 1954 before Judicial Magistrate First Class, Ratangarh bearing Case No.CC.125 of 2010 for one its product Vansapati Avsar against Adani Wilmar Limited, its Nominee and other accuseds including Mr.Rajesh S.Adani, Director of Adani Wilmar Limited. Adani Wilmar Limited and Nominee have filed application under Sec.13(2) for re-analysis and same is pending for analysis. Matter is posted to 29th October, 2018.
9. Food Inspector Mr. P.C.Naik, representing Government of Orissa filed complaint under Prevention of Food Adulteration Act, 1954 (PFA Act) in the Court of Judicial Magistrate First Class, Rajgangpur, Dist-Sundargarh bearing case No.2(c) (CC) Case No.15/2005 for one of its product Fortune Kacchi Ghan Pure Mustard Oil for not meeting standard under PFA Act. Shri Rajesh Adani, the then Managing Director of Adani Wilmar Limited was also named as accused. We moved High Court vide CRLMC No.1340 of 2013 for quashing the said complaint. The High Court of Orissa vide order dated 07th May, 2013 granted interim stay on proceeding till next date. The stay is still continuing. Matter will be listed in due course for final hearing.

Litigation or legal action pending or taken by any ministry or government department or statutory authority against Rajesh S. Adani during the last five years

There are no litigation or legal action pending or taken by any ministry or government department or statutory authority against Rajesh S. Adani during the last five years.

III. Litigation Involving our Group Companies

Litigations Involving AEL

1. The Commissioner of Customs, Mumbai has issued a show cause notice in April, 1999 to AEL and others, for the recovery of Rs. 3.70 million as customs duty for the import of goods, confiscation of the said imported goods and imposition of penalty. CESTAT, Mumbai has passed an order in favour of AEL. The department subsequently filed an appeal before the Supreme Court. The matter is currently pending.
2. The Commissioner of Customs, Gujarat has issued a show cause notice in May, 1998 to Mahima Trading and Investment Private Limited and Vikshara Trading and Investment Private Limited, their raw material suppliers and exporters including AEL, in relation to export of certain items. The Commissioner of Customs (Adjudication), Mumbai through order dated March 28, 2014 confirmed the duty demand of Rs. 2.23 million along with interest and also imposed penalty of Rs. 2.23 million on AEL and also confirmed the duty demand of Rs. 132.6 million along with interest and also imposed penalty of Rs. 132.6 million on AEL. AEL filed appeal as well as Stay Application before CESTAT, Ahmedabad. On 02.12.2014, the Hon'ble CESTAT, Ahmedabad, was pleased to grant unconditional stay and waiver of pre-deposit of duties, interest and penalties. The matter is currently pending for final hearing.
3. The Additional Director General, Directorate of Revenue Intelligence, Mumbai has issued a show-cause notice in November, 2001 to AEL and others. The matter has been decided by CESTAT through its order dated February 12, 2007, in favour of AEL and others. Against the said order, the department filed appeal before Supreme Court. The Supreme Court by its order dated October 01, 2007 condoned the delay and issued notice in the matter. The matter is currently pending.
4. The Enforcement Directorate, Bangalore had issued a show cause memorandum dated May 21, 2002 to AEL and others alleging violation of provisions of the Foreign Exchange Regulation Act, 1973. The same was adjudicated by the Deputy Director, Enforcement Directorate by imposing a penalty. However, the same was set aside by the Appellate Tribunal and the matter has remanded to the Enforcement Directorate, Bangalore. The Deputy Director, Enforcement Directorate, Bangalore re-adjudicated the matter and through order dated March 25, 2008 imposed a penalty of Rs. 1.6 million on AEL. Aggrieved by the order dated March 25, 2008 AEL filed an appeal before the Special Director (Appeals), CIT (Appeals) - V, Chennai. The matter is currently pending.



5. The Assistant Commissioner of Customs, Mumbai has passed an order dated June 05, 2009 against AEL wherein the Assistant Commissioner denied certain benefits under the Notification (no.42/99) dated April 28, 1999, amended on September 06, 2004, on the cut and polished diamonds imported by AEL. The Assistant Commissioner ordered finalisation of the assessment of bill of entry dated December 20, 2005 at basic customs duty @ 5% and education cess @ 2% aggregating to Rs. 1.50 million and also directed AEL to pay interest on the differential amount from December 01, 2005. AEL has filed an appeal before the Commissioner of Customs (Appeals), Mumbai against the said order dated June 05, 2009. The Commissioner of Customs (Appeals), Mumbai, through order dated March 26, 2010 dismissed the appeal filed by AEL. AEL filed appeal before CESTAT, Mumbai, who vide order dated October 31, 2011 remanded the matter to Commissioner of Customs (Appeals) to decide afresh the appeal filed by AEL. The Commissioner (Appeals) vide Order-in- Appeal No. MUM-CUSTOMS-APP-333B337/15-16 Dated - August 26, 2015, while confirming the demand of duty, set aside the demand of interest. AEL filed appeal before CESTAT, Mumbai in November, 2015. AEL also deposited a sum equal to 10% of duty demand in compliance to Section 129 E of Customs Act, 1962 as a pre-condition to file an appeal. The matter is currently pending.
6. The Directorate of Revenue Intelligence has issued a show cause notice dated September 11, 2009, requiring AEL and others to show cause to the Commissioner of Customs as to why (a) 26,945.98 kilograms of gold valued at Rs. 16,394.20 million imported by AEL and 32,900.91 kilograms of gold valued at Rs. 21,618.71 million, exported by AEL should not be confiscated, (b) the goods exported declaring as "Studded Gold Jewellery" should not be disallowed towards fulfilment of export obligation against advance licenses and the provisional assessment should not be finalized by disallowing the value addition, (c) customs duty of Rs. 299.80 million foregone on the import of goods by AEL under the advance license issued to AEL should not be demanded with interest, (d) a penalty should not be imposed under the provisions of the Customs Act, 1962 and (f) the bonds executed at the time of import should not be enforced towards duty liability and interest. It has been alleged that AEL has mis-declared the goods imported/exported as studded gold jewellery in order to avail the benefits under various schemes including the "Target Plus Scheme". The matter is currently pending for adjudication before the Principal Commissioner of Customs, Ahmedabad.
7. The Directorate of Revenue Intelligence has issued a show cause notice dated December 31, 2009 to AEL (Formerly, M/s. Inter Continental (India)) and others, wherein AEL was asked to show cause to the Commissioner of Customs, Ahmedabad as to why penalty should not be imposed on them under the provisions of the Customs Act, 1962, for various acts and omissions rendered by them in relation to the import of gold and export of studded gold jewellery by M/s Inter Continental (India) under various schemes including the "Target Plus Scheme" and the erstwhile "Incremental Export Promotion Scheme". It has been alleged that AEL executed plans to artificially boost the export turnover of our Company and other group companies and availed undue benefits under the abovementioned schemes. Further, AEL was asked to show cause as to why (a) gold imported and exported by them should not be confiscated, (b) the goods exported declaring as "Studded Gold Jewellery" should not be disallowed towards fulfilment of export obligation against advance licenses and the provisional assessment should not be finalized by disallowing the value addition, (c) customs duty of Rs.81.60 Lacs foregone on the import of goods by them under the advance license should not be demanded with interest, (d) a penalty should not be imposed under the provisions of the Customs Act, 1962. The matter is currently pending for adjudication before the Principal Commissioner of Customs, Ahmedabad.
8. The Commissioner of Customs (Preventive), Jamnagar has filed appeal before the Supreme Court against the Company challenging the orders dated August 12, 2009 and August 31, 2009 passed by the CESTAT. The matter is in relation to import of coal by AEL and the concessional duty rate claimed by AEL in connection with the import. AEL had declared that the ash content of the coal imported was below 12% and hence was granted clearance at concessional duty rates. CESTAT by the orders dated August 12, 2009 and August 31, 2009 allowed the appeals filed by AEL challenging the order dated June 28, 2005 passed by the Commissioner of Customs (Appeals) Ahmedabad. The Commissioner by the said order had confirmed the order dated October 27, 2004 passed by the Assistant Commissioner of Customs whereby a demand of custom duty of Rs. 2.50 million was upheld. The demand was confirmed stating that on further tests conducted on the samples of coal imported by AEL, the ash content was found to be more than 12%. Commissioner of Customs (Preventive), Jamnagar filed the appeal stating that CESTAT has only relied upon the test report provided by AEL and that the said test was not conducted in presence of the Customs Officer. The High Court of Gujarat vide order dated January 27, 2011 dismissed the appeal filed by the department. On 20.01.2015, the Hon'ble Court admitted the appeal. The matter is currently pending for final hearing.
9. AEL filed an appeal before High Court of Gujarat against the order dated August 05, 2010 passed by CESTAT, Ahmedabad, confirming the customs duty demand amounting to Rs. 8.69 million and penalty for the same amount on AEL and other appellants. The matter is in relation to duty free imports of various inputs necessary for export of frozen processes and preserved marine products under advance licenses. In January, 2012, the High Court of Gujarat admitted the appeal. The matter is currently pending.
10. The Assistant Commissioner of Customs, Air Cargo, Ahmedabad had passed three ex-parte orders dated November 30, 2010 confirming the duty demands of Rs. 8.14 million, Rs. 7.60 million and Rs. 0.61 million, respectively along with interest at the rate of 15% on AEL on the ground that they have failed to submit the Export Obligation Discharge Certificate issued by the advance license issuing authority in respect of three advance licenses dated September 21, 2004, in support of fulfilment of their export obligation. AEL



filed appeal against the said orders before the Commissioner of Customs (Appeals), Ahmedabad, who vide order dated April 06, 2011 directed to deposit of Rs. 16.34 million. AEL filed a modification application, which was dismissed by the Commissioner (Appeals) vide order dated May 11, 2011. Consequently, AEL filed a petition before High Court of Gujarat, challenging the said order. On 16.04.2011, the High Court of Gujarat set aside the Orders passed by the Commissioner of Customs (Appeals) remanded the matter to Commissioner (Appeals) to decide the appeal on merit. The Commissioner (Appeals) vide Order dated 18.6.2015 remanded the matter to Adjudicating Authority with a direction to provide the copy of SCN to AEL and thereafter decide the matter afresh. The matter is currently pending.

11. The Special Director, Enforcement Directorate, Mumbai, has issued a show cause notice dated September 16, 2008 to AEL and others, alleging violation of FEMA by opening and investing in a wholly owned subsidiary without prior permission of the Reserve Bank of India. The Special Director, Enforcement Directorate, Mumbai through order dated May 11, 2009 adjudicated the said show cause notice, imposing an aggregate penalty of Rs. 41.00 million on AEL. AEL filed appeal before the Appellate Tribunal for Foreign Exchange, New Delhi, against the said order. The Appellate Tribunal for Foreign Exchange, vide order dated October 26, 2009 quashed and set aside the impugned order dated May 11, 2009. The Department filed an appeal before the High Court of Bombay against such order. The High Court of Bombay vide order dated December 09, 2011 remanded the matter to the Appellate Tribunal. On 3.7.2018 the Appellate Tribunal for Foreign Exchange, New Delhi [ATFE] dismissed the appeal filed by AEL and upheld the imposition of penalty. AEL preferred an appeal at Gujarat High Court against ATFE order. The matter is currently pending.
12. A show cause notice dated January 17, 2011 was issued by DGCEI, Indore, to AEL and others, alleging wrong availment of duty drawback on export of de-oiled cake by AEL, who purchased the same from the manufacturers of de-oiled cake and sought for recovery of duty drawback along with, interest and proposal for penalty. The Additional Commissioner of Customs (Preventive), Jamnagar through order dated March 24, 2012 ordered recovery of the drawback amounting to Rs. 1.85 million with interest, imposed penalty of Rs. 2.50 million under section 114(iii) of Customs Act and also imposed penalty of Rs. 4.00 million under section 114 AA of Customs Act. On appeal, the Commissioner of Customs (Appeals) through order dated February 21, 2014 set aside the impugned order. The Department has filed an appeal before the Joint Secretary to the Government of India, New Delhi against the order dated February 21, 2014. The matter is currently pending.
13. The Additional Director General, DRI, Ahmedabad had issued a show cause notice dated December 19, 2012 to AEL and others, alleging that AEL has imported gold and silver bars by utilizing the DFCE licenses fraudulently obtained from the DGFT against the exports of Cut & Polished Diamond [CPD] during the year 2003-04 and the said DFCE licenses were obtained by AEL taking into account the turnover of the re-export of imported CPD which was otherwise not permissible. AEL has been asked to show cause to the Commissioner of Customs, CSI Airport, Mumbai, as to why the CPD exported by them during the year 2003-04 should not be held liable for confiscation and why penalty should not be imposed. AEL has also been asked to show cause to the Commissioner of Customs, Ahmedabad, as to why (i) 250 kgs of Gold Bars imported without payment of duty claiming exemption under DFCE licence, which were seized and subsequently released provisionally and 25,432.84 kgs of Gold and 31,219.791 kgs of silver imported claiming exemption of duty should not be confiscated, (ii) fine in lieu of confiscation should not be imposed; (iii) the differential customs duty of Rs. 497.8 million should not be recovered along with interest; (iv) penalty should not be imposed. The Commissioner of Customs, Ahmedabad is appointed as Common Adjudicating Authority in the present case. The matter is currently pending.
14. Based on DRI recommendation in relation to show cause notice dated December 19, 2012 issued by Additional Director General, DRI, Ahmedabad, Assistant DGFT, Ahmedabad also issued a Show Cause Notice dated 25.02.2013 to AEL, Sh. Gautam Adani, Sh. Rajesh Adani & others for cancellation of 21 DFCE Scripts & imposition of fiscal penalty. The Jt. DGFT, Ahmedabad vide Order dated 30.10.2013 dropped the Show Cause Notice dated 25.02.2013. Again based on DRI recommendation DGFT, New Delhi issued another Show Cause Notice 29.05.2015 proposing to set aside the Order of Jt. DGFT, Ahmedabad and to remand the matter to Additional DGFT, Mumbai for fresh adjudication alleging that Jt. DGFT had no monetary jurisdiction to decide the SCN. The matter is currently pending for adjudication before Additional DGFT, Mumbai.
15. Ten show cause notices ("SCNs") were issued by various Commissioner of Customs, alleging that coal imported by AEL, declaring the same as steam coal and sought clearance thereof on payment of CVD @1% claiming benefit of duty exemption under Notification No.12/2012 against entry sr. No.123, is not steam coal, but bituminous coal as the same has volatile matter content exceeding 14% and GCV more than 5833. Therefore, the same attracts BCD @ 5% & CVD @6% in terms of Sr. No. 124 of Notification 12/2012. The said SCNs were issued proposing confiscation of imported coal, demanding differential customs duties along with interest and imposition of penalty. 9 SCNs were adjudicated by confirming the duty demands with interest, imposing fine and penalty amounting to Rs. 7968 million. Against the said orders, AEL has already filed appeal and stay application before CESTAT in respect of 8 SCNs and before Supreme Court in respect of 1 SCN dated 01.04.2013. The matters are currently pending.
16. Akamas Navigation Ltd. has filed arbitration (LMAA Rules) in London against Adani Enterprises Limited wherein it asserts that its freight and other dues for the shipment are not paid by CER. Akamas claims to have lien on Coal for such outstanding. Akamas further allege that the B/L with endorsement "freight prepaid", as possessed by AEL, is without authority. Akamas, alleging breach of contract of carriage by



AEL, has claimed USD 2.5 Million (approx.) along with interest and cost from AEL. AEL has filed its defence statement against the claim filed by Akamas. The Parties have to decide now the manner in which disclosure could be carried and exchange of LMAA Questionnaire as per the LMAA Rules.

17. Principal Additional Director General, DRI, Mumbai issued a common Show Cause Notice (SCN) dated 31.8.2016 proposing to re-determine the value of the imported goods along with imposition of penalties on the ground that the imports have been grossly overvalued. The allegation of overvaluation is made on the ground that the supplier of the goods is not an independent supplier but merely intermediary agent for raising invoice of higher/inflated values. These allegations are made on the basis that invoices raised by the Original Equipment Manufacturers (OEMs)/actual suppliers was lower to the corresponding invoices raised by the Supplier i.e. EIF for the same consignment on the companies. [The SCN also refers to SCNs dated 15.5.2014 issued by DRI, Mumbai to APML/APRL/MEGPTCL/PMC alleging overvaluation.] The matter is currently pending for order.
18. UCM Coal Company Limited (i.e. Mine Owner) had entered into Mining Contract with Adani Enterprises Limited (Mine Contractor) for development, mining and delivery of coal from the Chendipada and Chendipada-II Coal Blocks to the end use power plants of UPRVUNL, CMDC and MAHAGENCO linked to aforesaid Coal Block. Pursuant to the aforementioned, AEL has initiated the arbitration against UCM Coal Company Limited seeking restitution of expenditures incurred by it towards undertaking activities pertaining to seeking and obtaining approvals for development and operation of the Chendipada and Chendipada-II Coal Blocks. The Hon'ble Tribunal vide its order dated 31.01.2017 has passed an interim award of Rs. 73.94 Crores in favour of AEL. In June 2018 final argument between the Parties is concluded and the matter is reserved for Judgement.
19. EMTA filed a writ petition (WP(C) no. 26180/2015) before Chandigarh High Court against PSPCL& Ors. praying for recognising its Right of first refusal in the tender process of Pachwara Coal Block. Adani Enterprises Limited was made a party to the litigation. AEL has filed the reply. The matter is currently pending.
20. In pursuance of Notice Inviting Tender for supply of 14.5 lakh MT imported coal to their Thermal Power Stations, HPGCL issued a Purchase Order dated 17.10.2012 in favour of MSTC for supply of Imported Coal and also issued a Work Order dated 17.10.2012 in favour of AEL for handling and logistic activity. Further, MSTC issued a Purchase Order dated 30.10.2012 in favour of AEL on back to back basis for supply of Imported coal

HPGCL rejected 27 rakes on account of high Total Moisture ("TM") and 3 rakes on account of low HGI and withheld the payment of such 30 rakes.

MSTC and AEL challenged such rejection and claimed inter-alia, that a rake shall be liable for rejection only when more than one parameter would be beyond the rejection value.

AEL invoked the Arbitration under the Work Order and MSTC invoked the Arbitration under the Purchase against HPGCL. Ld. Arbitrator passed the Arbitral Award on 19.12.2014 allowing the claim of AEL in respect of 27 rakes rejected on account of high Total Moisture but disallowed the claim in respect of 3 rakes rejected on account of low HGI.

HPGCL challenged the award by filing an objection petition before Panchkula District Court. The said petition was subsequently transferred to Commercial Court Gurgaon. The said court vide its final order dated 05.01.2018 upheld the award with minor modification. HPGCL challenged the final order of Commercial Court, Gurgaon before Chandigarh High Court by way of an appeal and the same is pending adjudication. The Chandigarh High Court by way of interim order allowed release of disputed amount to AEL against a Bank Guarantee. Consequent to such interim order, AEL filed an application before Commercial Court, Gurgaon for release of said amount against BG, which is currently pending.

21. The vessel MV D. SKALKEAS carrying 82,510 MT of Indonesian Coal belonging to AGPTE sailed from Load Port at Indonesia for delivery to AEL at Dahej, port India. At the discharge port, it was observed that there was heating within the cargo and accordingly preventive action was taken by Port and the Master to mitigate damages. The smoldering of coal and spraying of salt water by Master resulted in quantity loss as well as quality loss. Approx. 3136 MT of cargo was totally lost and approx. 7111 MT of cargo was damaged. The Port also levied certain penal berth charges against the vessel because of Master refusing to shift the vessel from berth to anchorage.

The owners invoked arbitration against AEL in London. Both owners and AEL are having claims against each other. The Owners filed a claim of about USD 1.1 Million (towards the losses on account of detention charges, Port charges, repair, cost etc.) against AEL before the Arbitrators. AEL also provided a Corporate Guarantee of USD 2096000 through AGPTE in favour of the Owners against their claim. The total estimated loss of AEL is USD 0.72 Million and it has filed its counter claim before the Arbitrator. Accordingly against its claim, AEL also took a letter of undertaking from London P & I Club of owners for an amount of USD 735,000, inclusive of interest and cost. Pertinently, the Insurance Company has already released Rs 94 lakhs (approx.) to AGPTE/AEL. In the arbitration, the pleadings stand completed.



22. STC issued Tender No. STC/HYDQ/NTPC/400 dated 28.08.2008 for supply of 8.25 MMT (+/-2%) imported Coal for NTPC Power Plants. Thereafter, STC issued LOI dated 30.09.2008 to AEL and LOI dated 14.10.2008 to AGPTE for fixed price. However, after issuance of said LOIs, STC and NTPC refused to take delivery at the said price and forced AGPTE to reduce price for entire Contract at the then prevailing market price (index linked price). AGPTE left with no choice reduced the prices (index linked price) and executed Contract dated 5.12.2008 without prejudice to its rights under Tender and LOI issued.
AGPTE supplied 8.48 MMT to STC/NTPC and has suffered losses being the difference between LOI price and the Contract price. AGPTE & AEL jointly invoked arbitration against STC & NTPC and filed a claim. The arbitration process is going on.
23. Mr. Samir Mehta, Mumbai, an environmentalist filed an Application No. 24/2011 before National Green Tribunal, New Delhi complaining about the pollution and damage caused to mangroves and marine ecology at around Mumbai as a result of oil spill and dumping of 60000 Mt of coal into the sea due to sinking of vessel M.V Rak Carrier carrying coal for Adani Enterprises Ltd., (AEL).
Appellant prayed the Tribunal to direct the ship owner, AEL & other liable party to pay the compensation for the damage caused to the eco-system & for the loss to ecology and livelihood.
On 23.8.16 NGT decided the matter imposing penalties of Rs. 100 Crs. on Owner of the vessel and Rs. 5 Crs. on AEL.
AEL filed an appeal at the Hon'ble Supreme Court. The appeal admitted with an order to deposit Rs. 5 Crs. The matter is currently pending.
24. In furtherance of a contract executed between Adani Global Pte (AGPTE) & Adani Enterprises Ltd. for supply of 60058/- M.T of Coal, a shipment was loaded on vessel M.V Rak Carrier from Indonesia for voyage to Dahej Port (India). Shipment of Coal shipped by AGPTE from Indonesia enroute Dahej Port sunk off Mumbai Coast on August 04, 2011. Marine Insurance was taken by AGPTE from UIIC, Delhi for Sum Insured of Rs. 24.76 Crs. Certificate of Insurance was assigned to AEL, being Importer of cargo accordingly AEL filed the claim with United India immediately on knowledge of said casualty. UIIC vide a letter dated 22.11.2012 repudiated the claim on the ground of un-seaworthiness of the vessel and its privity to the assured. AEL filed the present complaint No. CC 521/2014 against UIIC with a prayer to grant the order for payment of Rs. 24.76 Cr. + Interest by UIIC to AEL. On 23.5.2018 the complaint was dismissed by NCDRC. AEL's appeal was admitted on 3.8.2018 by Supreme Court. The matter is currently pending.
25. Antikeros Shipping Corporation V/s AEL: Claimants had placed order for bunkers. The same was supplied by AEL. The Claimant alleged that the bunkers did not conform to the contractual specifications and also that the same was not fit for their intended purpose. The Claimants invoked arbitration proceedings in 2012. Claim of US\$ 750,150 (Rs. 4 Crores approx.) for damages made on us. Counter claim of US\$ 139,799 (Rs. 76 Lacs approx.) (filed by us on account of bunkers consumed and cost of debunkering. The arbitration is pending.
AEL, in the meantime, filed a Review Petition in the Bombay High Court for recall of its earlier order of appointment of arbitrators. The petition is currently pending.
26. SFIO filed Criminal Complaint u/s. 420, 120B of IPC before the learned magistrate, Ballard Pier, Mumbai against Adani Enterprises Ltd. & Ors. The learned magistrate, Ballard Pier, Mumbai discharged him on the ground that no prima facie case is made out by SFIO against Adani Enterprises Ltd. However, SFIO challenged that order before the Sessions Court at Mumbai by way of Criminal Revision. The same is pending for hearing

Litigations involving ATL

- An appeal has been filed by Gujarat Electricity Transmission Company (GETCO) in Supreme Court against ATL challenging the Judgement passed by High Court of Gujarat.
High Court heard the revision applications filed by ATL & GETCO against the order of Gujarat Public Works Arbitration Tribunal and passed its judgement directing GETCO to deposit amount claimed by ATL and allowed ATL to withdraw the same upon submission of equivalent Bank Guarantee further High Court had remanded the matter to Arbitration Tribunal for deciding the issues on merits. The High Court order has been challenged by GETCO and currently pending in Supreme Court
- ATL had initiated arbitration against GETCO in Gujarat Public Works Arbitration Tribunal for recovery of dues. The Tribunal gave split judgment on the maintainability of interim application and referred the matter to the larger bench comprising of three Judges. The said order of the Tribunal was challenged in the High Court of Gujarat by ATL. High Court in its judgement had directed GETCO to deposit amount claimed by ATL and allowed ATL to withdraw the same upon submission of equivalent Bank Guarantee and further remanded the matter to Arbitration Tribunal for deciding the issues on merits. The matter is currently pending at the Tribunal for hearing.



Litigations Involving APL

1. GUVNL filed an appeal in Supreme Court against GERC and APL in respect of the order passed by APTEL dated October 04, 2012 which stated that GUVNL shall have no claim on the power prior to the scheduled commercial operations date of the Bid 02 PPA. The matter is currently pending.
2. A case was filed by Patel Laljibhai Hirabhai before the District Magistrate, Mehsana, against APL for laying down an overhead transmission lines in terms of Section 68 (1) of Electricity Act, 2003 and non-compliance of Section 67(2) of the Electricity Act, 2003. The CERC by way of its order dated April 09, 2010, set aside the order dated July 08, 2009 in favour of APL (the "CERC Order"). Consequently, the APTEL confirmed the CERC Order by way of its order dated September 15, 2011. Consequently, Patel Laljibhai Hirabhai filed an appeal before the Supreme Court. The matter is pending.
3. An appeal was filed by APL before APTEL challenging the order of CERC dated May 04, 2017 in petition no. 235/MP/2015 for disallowing change in law on account of SEZ notification. The said order was challenged by APL (now APMuL) and Discoms before APTEL in cross-appeals. APTEL whherein vide judgment dated March 21, 2018, APTEL partly allowed the appeal of APL. The said order of judgment is challenged in Supreme Court vide cross appeals confining to the issue of grant of Carryin Cost (Interest) and Station Heat Rate. The matter is pending adjudication.
4. APL (APMuL) filed a petition before the CERC against UHBYNL to seek compensation under change in law under Haryana PPA for shortfall in supply of domestic coal as per the order of Supreme Court in Energy Watchdog Judgment, holding that APL is entitled for comensatory tariff for shortfall in domestic coal. CERC vide order dated 31.5.2018 directed Haryana Discoms to pay the compensation. As the compensation has not been paid by Haryana Discoms in line with the order passed by CERC. APMuL has moved petition before CERC seeking direction against Haryana Discoms to comply with the order. The matter is currently pending.
5. APMuL has moved an application before CERC for the grant of relief as per the Supreme Court Judgment in Energy Watchdog case for the period post March 2017. The matter is currently pending.
6. An application has been filed by Conservation Action Trust before National Green Tribunal, Pune against APL under sections 18 (1) read with 14 and 16 of the NGT Act, whereby the Environment clearance of APL was challenged on the allegations that the power plant of APL is causing damage to environment and public life. The matter is currently pending.
7. Kheti Vikas Seva Trust (an association of about 200 villagers) has filed an application in September 2017 before the National Green Tribunal, Pune Bench against APL, alleging the destruction of mangrove forests, violation of the terms of the EC and also destruction of sand dunes. The applicant has prayed in the NGT to set aside the order of MoEF dated 16.03.2016, to fully implement the recommendations of Sunita Narein and other committee reports and direct the restitution of environment that have been destroyed due to project activities of APL. The matter is currently pending.

Litigations Involving APSEZL

1. Gajubha Bhimaji Jadeja and others have filed a writ petition (in the nature of a public interest litigation) before the High Court of Gujarat against Union of India, APSEZL and others alleging that APSEZL and 12 other respondent companies are carrying out operations from business units in the special economic zone at Mundra ("Mundra SEZ") without Mundra SEZ having been granted environmental clearance from the MoEF. The High Court of Gujarat through its order dated January 13, 2014 directed the MoEF to decide on the application for grant of environmental clearance to the Mundra SEZ within 30 days and directed that till such appropriate decision is taken, no further activity in the form of construction, including the functioning of the units in the area in question, will be permitted. The respondents have filed appeals before the Supreme Court against the judgment and order dated January 13, 2014 and the Supreme Court pursuant to its order dated January 27, 2014 issued a notice and ordered that in the meanwhile, the units in the Mundra SEZ in respect of which the impugned order has been passed may continue to function, but no further construction activity with regard to any unit existing or upcoming, will be carried out. In the meanwhile, the MoEF pursuant to a letter dated April 03, 2014 stated that the High Court of Gujarat, in its order dated January 13, 2014, has observed that the act of giving special economic zone land on lease to units in the Mundra SEZ before a grant of environmental clearance amounts to violation of the provisions of the Environment Impact Assessment Notification dated September 14, 2006 and directed APSEZL to submit a formal resolution to the effect that APSEZL shall not repeat such violation. Subsequently, the Supreme Court pursuant to its order dated May 02, 2014 stated that it had directed the MoEF to complete the process of environmental clearance and not stayed the process and also directed the MoEF to complete the process of environmental clearance to the Mundra SEZ within eight weeks. Thereafter, the Supreme Court through its order dated July 14, 2014 again directed the MoEF to complete the process of environmental clearance within a further period of eight weeks and directed the secretary of the MoEF to oversee the process. The MoEF has issued a



formal letter dated July 15, 2014 granting environmental clearance. The matter is currently pending before the Supreme Court.

2. Kheti Vikas Seva Trust (an association of about 200 villagers) has filed a writ petition dated January 24, 2011 before the High Court of Gujarat against State of Gujarat, APSEZL, APL and others. The Petitioner has alleged that the power plant set up by APL, on the land allotted to APSEZL for setting up of a special economic zone, is in violation of necessary requirements for setting up of such a plant including environmental laws. The writ petition has been dismissed by the High Court of Gujarat on April 17, 2015. However, an application filed by the petitioner alleging non-compliance of an order of the High Court of Gujarat dated July 12, 2011 ("Order dated July 12, 2011") prohibiting the cutting of mangroves and other forests during the pendency of the petition without permission of the state forest and environment department in relation to the writ petition is still pending.
3. APSEZL filed a special civil application on April 12, 2017 before the High Court of Gujarat challenging communications received from the Development Commissioner, Mundra (Kutch) as well as that of the Ministry of Commerce and Industry, Department of Commerce, Government of India in relation to procurement of duty free high speed diesel oil for use in relation to carrying out its authorized operations. By way of correspondence dated June 28, 2011, APSEZL was informed that the request for procurement of duty free high speed diesel oil cannot be granted since APSEZL was not involved in any manufacturing process which would satisfy the definition of "consumable" stipulated under Rule 2(t)(g) of the Special Economic Zone Rules, 2006. Subsequently, APSEZL by way of letters dated August 25, 2011 and September 06, 2011, requested permission to import diesel by furnishing bank guarantee corresponding to the duty payable, pursuant to which APSEZL from time to time furnished the applicable bank guarantees and imported the diesel. Thereafter, the Commissioner by way of its letter dated October 09, 2014, disallowed APSEZL from importing duty free high speed diesel oil against furnishing of bank guarantee.

The Commissioner by way of a subsequent letter dated April 12, 2017, stated that the final assessment of duty payable by APSEZL in relation to import of diesel for the period September 30, 2011 to October 15, 2014, amounted to approximately Rs.714.79 million and accordingly directed APSEZL to deposit the amount, failing which bank guarantees furnished by APSEZL would be invoked. The High Court of Gujarat by way of its order dated April 24, 2017, stayed the implementation of directions issued by the Commissioner in his letter of April 12, 2017 and permitted APSEZL to procure duty free high speed diesel oil for carrying out authorized operations, against furnishing of bank guarantee equivalent to the duty payable. The matter is currently pending.

4. Pravinsingh Bhurabha Chauhan filed a public interest litigation by way of a writ petition before the High Court of Gujarat against the Union of India, State of Gujarat, APSEZL and others alleging that a certain plot of land known as 'Mor Dhruva' was not allotted to APSEZL and accordingly that APSEZL should be restrained from carrying out any activity, including ship recycling activities, without any prior permission or authorization in and around sand dunes including 'Mor Dhruva' in Tunda and Vandh villages, Kutch, Gujarat. Pursuant to the High Court's order dated July 10, 2014, the Collector, Kutch was ordered to submit a report in relation to the allegations raised. Pursuant to such order of the High Court, the Collector filed affidavits dated July 10, 2014, July 24, 2014 and July 28, 2014, inter alia, stating that the forest department allotted 1,840 hectares of forest land to APSEZL for non-forest purposes and APSEZL is currently not undertaking any objectionable activity therein. APSEZL in its reply stated, inter alia, that 'Mor Dhruva' was allotted to APSEZL in the year 2009 and requisite environmental clearances had been obtained for waterfront development and that no construction activities have been undertaken at the site which are in the nature ship recycling activities. Subsequently, the MoEF, restated the affirmations made by the Collector, by way of an affidavit dated November 03, 2014. Accordingly, the High Court taking cognizance of the affidavits and submissions made, dismissed the petition by way of an order and judgment dated February 18, 2015. Subsequently, the petitioner filed a petition seeking special leave to appeal before the Supreme Court of India, challenging the order inter alia, on the basis of the Sunita Narain Committee report on APSEZL and questioning the anomaly in the maps submitted by APSEZL at the time of seeking diversion of forest land. The matter is currently pending.
5. Kheti Vikas Seva Trust (an association of about 200 villagers) has filed an application in September 2017 before the National Green Tribunal, Pune Bench alleging the destruction of mangrove forests, violation of the terms of the EC and also destruction of sand dunes. Earlier, it had filed a writ petition dated January 24, 2011 before the High Court of Gujarat against the Union of India, State of Gujarat, APSEZL, Adani Power Limited and others alleging filling up of creeks, destruction of mangrove, salinity ingress, loss of livelihood of fishermen, improper handling of fly ash, etc. During the pendency of the writ petition before the High Court of Gujarat, the MoEF appointed a multi-disciplinary committee, which submitted its report in April 2013. MoEF issued show cause notice on September 30, 2013 on the basis of the report of the Committee. APSEZL Limited submitted its response on the show cause notice to the MoEF responding to the facts and conclusions made by the Committee. The said show cause notice was disposed of by MoEF by way of its order dated September 18, 2015. The writ petition was dismissed by the High Court of Gujarat on April 17, 2015. A special leave petition was filed before the Supreme Court of India by the Kheti Vikas Seva Trust against the order of the High Court of Gujarat and the Supreme Court dismissed the SLP and allowed the applicants to seek appropriate remedy before the competent courts / tribunal. The applicant has prayed in the NGT to set aside the order of MoEF dated September 18, 2015, to fully implement the recommendations of Sunita Narain and other committee reports and direct the restitution



of environment, that have been destroyed due to project activities of the company. The matter is currently pending.

6. Sanjay Ashok Joshi and another have filed a public interest litigation by way of a writ petition before the High Court of Gujarat against State of Gujarat, Gujarat Maritime Board and APSEZL alleging that APSEZL has not paid water front royalty to the Gujarat Maritime Board as per the order dated May 21, 2002 and accordingly, APSEZL may be directed to pay to the Gujarat Maritime Board water front royalty charges at full rates for all cargo. It is also alleged that the authorities have not applied the escalation clause that is not only part of the schedule of port charges, but also of the concession agreement. It is, Inter alia, stated that the aforesaid fact has also been highlighted in the audit report submitted by the CAG for the year 2005 and further report dated March 31, 2013. The matter is currently pending.
7. Jitendra Devji Songhra and another have filed a public interest litigation by way of a writ petition before the High Court of Gujarat against State of Gujarat, Gujarat Maritime Board, Government of India, Geology and Mining Department and APSEZL praying for stoppage of dredging activities and to hold that APSEZL has not paid the royalty as payable under the Offshore Areas Minerals (Development and Regulation) Act, 2002 read with Offshore Areas Mineral Concessional Rules, 2006. It is also alleged that APSEZL has destructed mangrove and caused environmental damage. and The matter is currently pending.
8. 37 land related cases have been filed before various courts against APSEZL on grounds of disputes arising in relation to (i) partial or complete ownership of land; (ii) validity and legality of agreements to sale; (iii) specific performance of sale deeds; (iv) acquisition of land fraudulently or under threat; (v) cancellation of sale deeds; (vi) notification of land and resumption of Gauchar land in favour of APSEZL; (vii) easementary rights in relation to land; (viii) illegal construction or development of land; (ix) inheritance rights in land; (x) challenge of entries in revenue and other land records; (xi) occupation of land at Mundra without being classified as a co-developer or unit under the SEZ Act; and (xii) illegal encroachment of land. These matters are currently pending at various forums including the High Court of Gujarat.

Tax proceedings involving our Group Companies

(Rs In Lakhs)

Nature of Case	Number of Case	Amount involved
Adani Enterprises Limited		
Direct Tax	26	11589.67
Indirect Tax	80	27935.62
Adani Transmission Limited		
Direct Tax	--	--
Indirect Tax	1	42.25
Adani Power Limited		
Direct Tax	7	5,250.00
Indirect Tax	4	948.00
Adani Ports and Special Economic Zone Limited		
Direct Tax	9	8541.00
Indirect Tax	33	3649.00



I. Litigation involving our Directors –**A. Gautam S. Adani**

For details in relation to litigation involving Gautam S. Adani, please see the section entitled "Litigation involving our Promoters – Litigation involving Gautam S. Adani" on **page no. 367**.

B. Pranav Adani

1. Food Inspector A.Malakonda Reddy, Nellore, Andhra Pradesh filed complaint under Prevention of Food Adulteration Act, 1954 before IV Additional Judicial First Class Magistrate, Nellore bearing case No.514 of 2010 for failure of one of its product Raaga Gold Refined Palmolein Oil for adulteration because of failure on standard for Acid value. The complaint was filed against Acalmar Oils and Fats Limited wherein Shri Pranav Adani was arrayed as one of the accused in the capacity of Managing Director of Acalmar Oils & Fats Ltd. We have taken up the matter with High Court of Andhra Pradesh bearing CRLP No.2840 of 2015 and the High Court vide order dated 18th April, 2015 had granted stay of proceedings in the matter. Matter will now come up for final hearing in due course and we have a good case in merits. We have filed the order in trial court and matter is now stayed. As per high court website the matter is not yet listed for final hearing.
2. Food Inspector Mr.Satyajit Patel, representing Government of Orissa filed complaint under Prevention of Food Adulteration Act, 1954 (PFA Act) in the court of Sub-Divisional Magistrate, Subarnapur bearing case no.2(C) CC.No.5 of 2007 for one of its products namely Fortune Kachi Ghani Mustard Oil for not meeting standards prescribed under the PFA Act. The case was initially filed against the retailer. However later on Company was impleaded and Non Bailable Warrant was issued against Managing Director, Shri Pranav. V.Adani, Adani Wilmar Limited. We have got the warrant cancelled by the Court. Further we have filed application u/s. 482 of the Cr.PC before the Orissa High Court bearing case no.CRLMC No. 1264 of 2015 to quash and set aside the order and the Court stayed further proceedings in the matter. We have a good case on merits and the matter will now come up for final hearing in due course.
3. Food Inspector Mr. P.C.Naik, representing Governemnt of Orissa filed complaint under Prevention of Food Adulteration Act, 1954 (PFA Act) in the Court of Judicial Magistrate First Class, Rajgangpur, Dist-Sundargarh bearing case No.2(c) (CC) Case No.15/2005 for one of its product Fortune Kacchi Ghan Pure Mustard Oil for not meeting standard under PFA Act. Shri Rajesh Adani, the then Managing Director of Adani Wilmar Limited was also named as accused. We moved High Court vide CRLMC No.1340 of 2013 for quashing the said complaint. The High Court of Orissa vide order dated 07th May, 2013 granted iterim stay on proceeding till next date. The stay is still continuing. Matter will be listed in due course for final hearing.
4. Food Inspector Ajay Kumar Tripathi, North West Railway, Ratangarh file complaint under Prevention of Food Adulteration Act, 1954 under Sec.7/16 of Prevention Adulteration Act, 1954 before Judicial Magistrate First Class, Ratangarh bearing Case No.CC.125 of 2010 for one its product Vansapati Avsar against Adani Wilmar Limited, its Nominee and other accused's including Mr.Gautam S. Adani, Director, Pranav V Adani and Rajesh S.Adani of Adani Wilmar Limited. Adani Wilmar Limited and Nominee have filed application under Sec.13(2) for re-analysis and same is pending for analysis.

C. Suresh P Manglani

As of date of this Information Memorandum there is no litigation/s or legal action involving our director Suresh P Manglani.

Action initiated by SEBI against the entities operating in the Securities Market with which our Directors are associated

No action has been initiated by SEBI against the entities operating in the securities market with which our Directors are related.

II. Material Developments

For details of material developments, please see the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on **page no. 357**.



GOVERNMENT APPROVALS AND LICENSES

Except as mentioned below, each of our Company have received the material consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and/ or regulatory authorities, required for carrying out our present business and no further material approvals are required by our Company for carrying out their respective existing businesses. Unless otherwise stated, these approvals are valid as on the date of this Information Memorandum.

A. Incorporation Details

Our Company was incorporated on August 5, 2005 under the Companies Act, 1956 as a public limited company under the name 'Adani Energy (U.P.) Limited' and got Certificate for Commencement of Business on August 24, 2005. Thereafter, the company was converted into private limited company on March 26, 2009. The name of the company was subsequently changed to "Adani Gas Private Limited" on December 31, 2009. Thereafter, the company was converted into a public limited company on January 8, 2010 and its name changed to "Adani Gas Limited". Corporate Identification of Our Company is U40100GJ2005PLC046553.

B. Tax related Registrations

1. The Permanent Account Number of our Company is AAFC37880;
2. The GSTIN of our Company is 24AAFC3788012S for the State of Gujarat, 06AAFC3788012Q for the State of Haryana and 09AAFC3788012K for the State of Uttar Pradesh; and
3. The Tax Deduction Number of our Company is AHMA05713B

C. Approvals in relation to business operations of our Company

Our Company is required to obtain various approvals and licenses under various laws, rules and regulations in order to continue our business activities in India. These approvals and/ or licenses include, among others:

- Health License of AGL Owned CNG Stations
- NOC from Fire Department of AGL Owned CNG Stations
- PESO License to operate CNG Stations
- NOC from Police Department of AGL Owned CNG Stations
- Factory License of AGL Owned CNG Stations
- Building Stability Certificate of AGL Owned CNG Stations
- AGL is certified for IMS i.e. ISO 9001:2015; ISO 14001:2015 & OHSAS 18001:2007.
- GPCB consent order for DG set
- Consolidated Consent & Authorization (under water act, Air act and hazardous waste)
- Building Stability Certificates
- Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- Employees State Insurance Act, 1948
- The Payment of Gratuity Act
- The Shop & Establishment Act
- The Profession Tax Act
- The Factories Act, 1948
- The Contract & Labour (RBA) Act, 1971-Central

As on the date of this Information Memorandum, our Company has obtained all the material licenses required in relation to its business operations



**SECTION VII: OTHER INFORMATION
MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company.

The main provisions of the Articles of Association of our Company are detailed below:

SHARE CAPITAL AND VARIATION OF RIGHTS

Article 2 provides that: "Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at par or at a premium or at consideration otherwise than in cash and at such time as they may from time to time think fit. The Company may issue equity with voting rights and/or with differential rights as to dividend, voting or otherwise in accordance with the Rules and preference shares"

Article 3 provides that:

"Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide,

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of such sum as may be prescribed for each certificate after the first.

Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders."

Article 4 provides that:

"Every holder of or subscriber to Securities of the Company shall have the option to receive security certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any Securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities."

Article 5 provides that:

"If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of indemnity or such other documents as may be prescribed by the Board, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

The provisions of the foregoing article relating to issue of certificates shall mutatis mutandis apply to debentures or other securities of the Company."

Article 6 provides that:

"Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder."

Article 7 provides that:

"The company may exercise the powers of paying commissions conferred under the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required under the Act and rules made thereunder.



The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.

The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other."

Article 8 provides that:

"If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply."

Article 9 provides that:

"The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith."

Article 10 provides that:

"Subject to the provisions of the Act, any preference shares may be issued on the terms that they are to be redeemed or converted into equity shares on such terms and in such manner as the company before the issue of the shares may, determine."

Article 11 provides that:

"The Board or the Company as the case may be, may, by way of right issue or preferential offer or private placement or any other manner, subject to and in accordance with Act and the Rules, issue further securities to persons who, at the date of the offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of other person or; employees under the employees' stock option or; any person whether or not those persons include the persons referred to in clause (a) or clause (b) above:"

LIEN

Article 12 provides that:

(i) "The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company;

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares."

Article 13 provides that:

"The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable; or

until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency."

Article 14 provides that:

"To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

The purchaser shall be registered as the holder of the shares comprised in any such transfer.



The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale."

Article 15 provides that:

"The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other Securities including debentures of the Company."

CALLS ON SHARES

Article 16 provides that:

"The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

A call may be revoked or postponed at the discretion of the Board."

Article 17 provides that:

"A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments."

Article 18 provides that:

"The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof."

Article 19 provides that:

"If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 20 provides that:

"Any sum which by the terms of Issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of Issue such sum becomes payable.

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 21 provides that:

"The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. However, such advance payment call monies shall not entitle the holder of the share to participate in respect thereof, in a dividend subsequently declared.



TRANSFER OF SHARES**Article 22 provides that:**

"The instrument of transfer of any Share in the company shall be executed by or on behalf of both the transferor and transferee,

The transferor Shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof."

Article 23 provides that:

"The Board may, subject to the right of appeal conferred by the Act decline to register

The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

Any transfer of shares on which the company has a lien"

Article 24 provides that:

"The Board may decline to recognise any instrument of transfer unless-

The instrument of transfer is in the form as prescribed in rules made under the Act;

The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

The instrument of transfer is in respect of only one class of shares.

Article 25 provides that:

"On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at anyone time or for more than forty-five days in the aggregate in any year"

Article 26 provides that:

"The provision of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company."

TRANSMISSION OF SHARES**Article 27 provides that:**

"On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees of legal representatives where he was a sole holder, shall be the only person- recognised by the company as having any title to his interest in the shares.

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons"

Article 28 provides that:

"Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided. Elect, either -

(a) To be registered himself as holder of the share; or

(b) To make such transfer of the share as the deceased or insolvent member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency."



Article 29 provides that:

"If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member."

Article 30 provides that:

"A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with."

Article 31 provides that:

"The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit."

FOREFEITURE OF SHARES

Article 32 provides that: "If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

Article 33 provides that:

"The notice aforesaid shall -

Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited."

Article 34 provides that:

"If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Article 35 provides that:

"A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit."

Article 35A provides that:

"The option or right to call of shares shall not be given to any person except with the sanction of the Company in the General Meeting."



Article 36 provides that:

"A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares."

Article 37 provides that:

A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

The transferee shall thereupon be registered as the holder of the share; and

The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Article 38 provides that:

"The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified."

ALTERATION OF CAPITAL**Article 39 provides that:**

"Subject to provisions of the Act the company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution."

Article 40 provides that:

"Subject to the provisions of the Act, the company may, from time to time -

Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Article 41 provides that:

"Where shares are converted into stock -

the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit;

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively."



Article 42 provides that:

"The company may, subject to provisions of the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law -

Its share capital;

Any capital redemption reserve account; or

Any share premium account.

Any other reserve in the nature of share capital

CAPITALISATION OF PROFITS**Article 43 provides that:**

"The company in general meeting may, upon the recommendation of the Board, resolve-

that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

That such sum be accordingly set free for distribution in the manner specified in clause (i) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards -

Paying up any amounts for the time being unpaid on any shares held by such members respectively;

Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

Partly in the way specified in sub-clause (a) and partly in that specified in subclause (b);

A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the company in pursuance of this regulation."

Article 44 provides that:

"Whenever such a resolution as aforesaid shall have been passed, the Board shall -

Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

Generally do all acts and things required to give effect thereto.

The Board shall have power -to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

Any agreement made under such authority shall be effective and binding on such members."

BUY-BACK OF SHARES**Article 45 provides that:**

"Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities."



GENERAL MEETINGS**Article 46 provides that:**

"All General Meetings other than Annual General Meeting shall be called Extra ordinary General Meeting."

Article 47 provides that:

"The Board may, whenever it thinks fit, call an Extra ordinary General Meeting."

PROCEEDINGS AT GENERAL MEETINGS**Article 48 provides that:**

"No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act."

Article 49 provides that:

"The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company."

Article 50 provides that:

"If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting."

Article 51 provides that:

"If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting."

Article 52 provides that:

"On any business at any general meeting in the case of an equality of votes, whether on a show of hands, electronically or on a poll, the Chairman of the meeting shall have second or casting vote."

VOTING RIGHTS**Article 54 provides that:**

"Subject to any rights or restrictions for the time being attached to any class or classes of Shares on a show of hands, every member present in person shall have one vote; and

On a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company."

Article 55 provides that:

"A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once."

Article 56 provides that:

"In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members."

Article 57 provides that:

"A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy."

Article 58 provides that:

"Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll."



Article 59 provides that:

"No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid."

Article 60 provides that:

"No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive."

PROXY**Article 61 provides that:**

"The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid."

Article 62 provides that:

"An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act."

Article 63 provides that:

"A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used."

BOARD OF DIRECTORS**Article 64 provides that:**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three nor more than fifteen.

The Present Directors of the Company are:

RAJESHBHAI SHANTILAL ADANI (DIN 00006322)

PRANAV VINODBHAI ADANI (DIN 00008457)

RAJEEV SHARMA (DIN 00084188)

Article 65 provides that:

"Subject to provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation."

Article 66 provides that:

"The same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company."

Article 67 provides that:

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-



In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

In connection with the business of the company.

Article 68 provides that:

"The company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of under the Act) make and vary such regulations as it may think fit respecting the keeping of any such register."

Article 69 provides that:

"All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine."

Article 70 provides that:

"Every director present at any meeting of the Board or of a committee thereof shall sign against his name in a book to be kept for that purpose."

Article 71 provides that:

"Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next Annual General Meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act."

Article 72 provides that:

"The Board may appoint an Alternate Director to act for a Director (herein after in this Article called "the Original Director") during his absence for a period not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when Original Director returns to India.

If the term of office of the Original Director is determined before he return to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director."

Article 73 provides that:

"If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated."

NOMINEE DIRECTOR

Article 74 provides that:

"Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to the any financial institutions, corporations, banks or such other financing entities, or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financing entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any of the said financial institutions or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company. The aforesaid financial institutions or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant corporation and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the financial institutions or such other financing entities appointing him shall also be entitled to receive notice of all such meetings."



PROCEEDINGS OF THE BOARD**Article 76 provides that:**

The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Article 77 provides that:

"Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote."

Article 78 provides that:

"The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose."

Article 79 provides that:

"The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting."

Article 80 provides that:

"The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it think fit.

Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board."

Article 81 provides that:

"A committee may elect a Chairperson of its meetings.

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting."

Article 82 provides that:

"A committee may meet and adjourn as it thinks fit.

Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote."

Article 83 provides that:

"All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director."

Article 84 provides that:

"Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, whether manually or electronically, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held."



THE SEAL**Article 87 provides that:**

The Board shall provide for the safe custody of the seal.

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director or of the Manager or secretary or such other person as the Board or Committee may appoint for the purpose; and the Director or Manager or Secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his /her presence.

DIVIDENDS AND RESERVE**Article 88 provides that:**

"The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in a general meeting may declare a lesser dividend."

Article 89 provides that:

"Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of the company."

Article 90 provides that:

"The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve."

Article 91 provides that:

"Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly."

Article 92 provides that:

"The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company."

Article 93 provides that:

"Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for any payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made."



Article 94 provides that:

"Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share."

Article 95 provides that:

"Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act."

Article 96 provides that:

"The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board."

Article 97 provides that:

"No undividend shall bear interest against the Company."

Article 97A provides that: "No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by the law and the Company shall comply with the provisions of the Act in respect of unpaid or unclaimed dividend."

WINDING UP**Article 99 provides that:**

"Subject to the applicable provisions of the Act and rules made thereunder-

If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributors if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY**Article 100 provides that:**

"Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal."

GENERAL POWER

Article 101 provides that: "Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is authorised by its Articles, then in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided."



MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of our Company on any working day (i.e. Monday to Friday and not being a bank holiday in Gujarat) between 10 am and 2 pm from the date of filing of this Information Memorandum with the Stock Exchanges until the listing of equity shares on the stock exchanges:

1. Memorandum and Articles of Association of the Company, as amended till date;
2. Certificate of Incorporation dated August 5, 2005;
3. Audited financial statements of our Company for the fiscal years ended March 31, 2018, March 31, 2017 and March 31, 2016;
4. Audited financial statements of our Company for the period ended June 30, 2018;
5. Chartered Accountant certified Statement of Tax Benefit, dated September 17, 2018;
6. Order dated August 3, 2018 of the Hon'ble National Company Law Tribunal, Bench, at Ahmedabad approving the Scheme of Arrangement;
7. Observation Letter for the Scheme of Arrangement, from BSE dated March 20, 2018;
8. Observation Letter for the Scheme of Arrangement, from NSE dated March 20, 2018;
9. Consent from the auditors for inclusion of their names as the statutory auditors and of their reports on accounts in the form and context in which they appear in the Information Memorandum;
10. Tripartite Agreement with NSDL, Registrar and Transfer Agent and the Company dated September 2, 2016; and
11. Tripartite Agreement with CDSL, Registrar and Transfer Agent and the Company dated January 23, 2018;

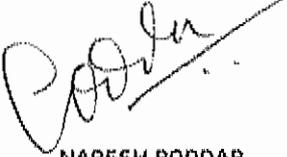


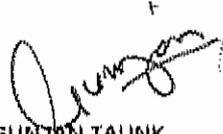
DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Information Memorandum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in the Information Memorandum are true and correct.

BY ORDER OF THE BOARD OF DIRECTORS OF ADANI GAS LIMITED


SURESH P MANGLANI
 EXECUTIVE DIRECTOR


NARESH PODDAR
 CHIEF FINANCIAL OFFICER


GUNJAN TAUNK
 COMPANY SECRETARY &
 COMPLIANCE OFFICER



Place: Ahmedabad
 Date: 23.10.2018

