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## INDRAPRASTHA GAS LIMITED

(A Joint Venture of GAIL (India) Ltd., BPCL & Govt. of NCT of Delhi)

August 29, 2019

ND/IGL/CS/AR/2019-2020

Dept. of Corporate Services  
Bombay Stock Exchange Ltd.  
Rotunda Building, 1<sup>st</sup> Floor  
Dalal Street  
Mumbai – 400 001

Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E)  
Mumbai – 400 051

Security Code : 532514

Trading Symbol : IGL

**Sub : Annual Report – 2018-19 and Notice of Annual General Meeting**

Dear Sir / Madam,

In pursuance of the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we submit herewith the soft copy of the Annual Report for the financial year 2018-19 alongwith Notice of the Annual General Meeting scheduled to be held on September 24, 2019.

This is for your information and records.

Thanking you,

Yours sincerely,  
for **Indraprastha Gas Limited**,

(S. K. Jain)  
Company Secretary & Compliance Officer



# INDRAPRASTHA GAS LIMITED



## Shaping the Future of Energy

GREEN. SMART. AFFORDABLE

20<sup>th</sup> Annual Report 2018- 19



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## Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

**Vision**   
India's leading clean energy solution provider through customer centricity, innovative technology and diversification, with international presence.

**Mission**   
Committed to provide safe, reliable and clean energy solutions to improve quality of life and enhance stakeholders' value.



To view the report online log on to  
[www.iglonline.net](http://www.iglonline.net)



# CHAIRMAN'S MESSAGE



**The Company gives due importance to its human resource capital who are responsible for the growth of the Company. The Company keeps reviewing employee related welfare schemes from time to time to motivate the employees.**

## Dear Shareowners,

Your Company has completed its successful journey of two decades, in which it has achieved many milestones. Today, it is a matter of pride for all of us that the Company is the largest City Gas Distribution Company in the country, catering to 1.1 million CNG vehicles, 1.2 million domestic PNG customers and over 4500 Commercial & Industrial customers.

The financial year 2018-19 was another year of robust growth both in financial and operational numbers. During the year, gross turnover showed a growth of 26.9% increasing from Rs. 4994 Crores to Rs. 6337 Crores in the previous year. Profit after tax also showed an increase of 17.3% from Rs. 671 Crores in FY2018 to Rs. 787 Crores in FY2019. Both gross turnover and PAT of FY2019 have been the highest in the history of the Company. In line with its performance, Board of Directors have recommended dividend of 120% i.e. Rs. 2.4 per share, the highest dividend so far in a financial year.

On the operational front, your Company augmented its infrastructure by adding 54 new CNG stations with total number crossing milestone of 500 with total compression capacity of around 84 Lakhs kg per day. During the year, the Company provided a record number of 2.1 Lakhs new PNG domestic connections and around 850 new commercial and industrial connections.

This scenario in CGD sector is fast changing with the coverage of a large number of geographical areas and entry of new players in this sector. PNGRB through its recently conducted 10th round of CGD bidding has now cumulatively covered 70% of the country's total population and 50% of total geographical area for setting up PNG and CNG distribution network. Government of India has been providing full allocation of Gas for transport and PNG -Domestic to meet the growing demand of the CGD sector. The government has set a mission of providing 1 crore PNG domestic connections by 2020. The government is giving thrust to natural gas to make India as a gas based economy. This changing business environment provides challenges as well as opportunities to your Company. The Company has been reviewing its corporate strategy for sustainable future growth.

The Company has been expanding its area of operations by entering into new geographical areas. The Company has already started supply of CNG and PNG domestic in earmarked area of Gurugram and Karnal districts. The Company has started building infrastructure in geographical area of Meerut (except area already authorised), Muzaffarnagar & Shamli district in Uttar Pradesh. The Company has also received authorization from PNGRB for development of CGD network in geographical areas of (i) Kaithal District (ii) Ajmer, Pali and Rajsamand District & (iii) Kanpur (except area already authorized) District, Fatehpur and Hamirpur Districts. The Company is also looking for inorganic growth by acquiring stakes in other CGD companies.

The Company has taken various new initiatives for its future growth. Recently,

it has started working in association with Indian Oil Corporation to set up a H-CNG station as a pilot project, first of its kind in India. The Company has entered into memorandum of understandings with reputed parties for promoting the usage of gas in home appliances in households, conversion of diesel gensets into gas based generators and to provide charging facilities to e-vehicles. As a backward integration, the Company has a plan to set up a gas meter manufacturing unit in India. The Company is also looking to leverage its expertise and execution capabilities by providing consultancy services for setting up CGD projects in India and abroad. Optimisation of overall cost and organisational transformation are other areas in which studies are underway. All these initiatives will add to the growth and business expansion of the Company. The Company has earmarked total capex of Rs. 1170 Crores for FY2019-20.

Your Company has strong belief in Customer centric approach. It is striving for excellence in customer services by making continuous efforts to improve its services. The Company has upgraded its customer app – IGL connect by adding new features and further strengthening its customer relationship management (CRM) module in SAP. It is promoting digital payment by providing various options to its customers. The Company has been providing facilities such as self-billing, spot billing, prepaid cards, automatic meter reading and various incentive schemes for acquiring new PNG Customers.

Your Company has always accorded top most priority to Safety related issues. In recent past, the Company participated in the mock drill of disaster management exercise carried out by government

of NCT of Delhi. Regular trainings are imparted to drivers, PNG customers, employees, contractual staff and other stakeholders on regular basis. It is a matter of pride that your Company has crossed 161 Million Man Hours accident free till 31st March, 2019. The Company has won various prestigious safety awards from different authorities in recognition of its high safety standards.

The Company gives due importance to its human resource capital who are responsible for the growth of the Company. The Company keeps reviewing employee related welfare schemes from time to time to motivate the employees. The Company gives due importance to training and development of employees to upgrade their skills and expertise in various areas. During the year, a number of team building, skill developments, and sports events were conducted by your Company. The Company recognizes and appreciates the contribution of all its employees in its growth path.

The Company has been taking various CSR activities with focus on health, education, environment and empowerment of women & underprivileged of the society. During FY2019, CSR programmes such as IGL Swasth Saarthi, Building Bonds through Gender Sensitisation, coaching for engineering entrance examination to underprivileged students, Self Defence training for school girls, education programmes at municipal schools, Skill Development for rural women and underprivileged/ unemployed youth etc. were undertaken after conducting impact assessment study. The Company has won a number of awards for its various CSR projects/programmes at different forums.

On behalf of the Board of Directors, I take this opportunity to thank the

Government of India, Petroleum and Natural Gas Regulatory Board and all departments of the Central and State governments, our valued Customers, our promoter companies (GAIL & BPCL), all the authorities and agencies for their unstinted support to your Company.

I, along with my colleagues on the Board, would also like to thank each and every employee of IGL for all the hard work put in by them.

Finally, I would like to thank each one of you from IGL's family of Shareowners, for the confidence and trust reposed in us. With your support and blessings, I am confident that we shall continue to strive to achieve new milestones in the coming years.

Warm Regards,

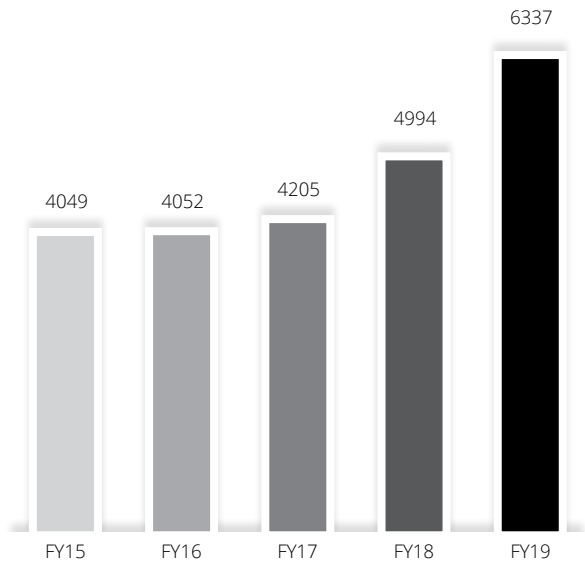


**Gajendra Singh**  
Chairman

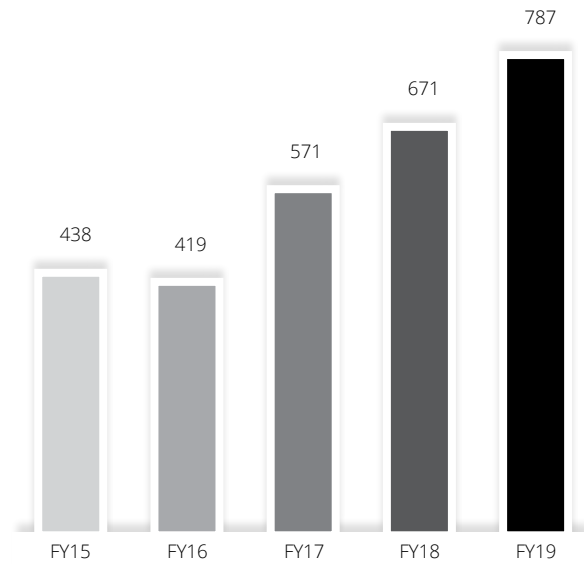


# FINANCIAL HIGHLIGHTS

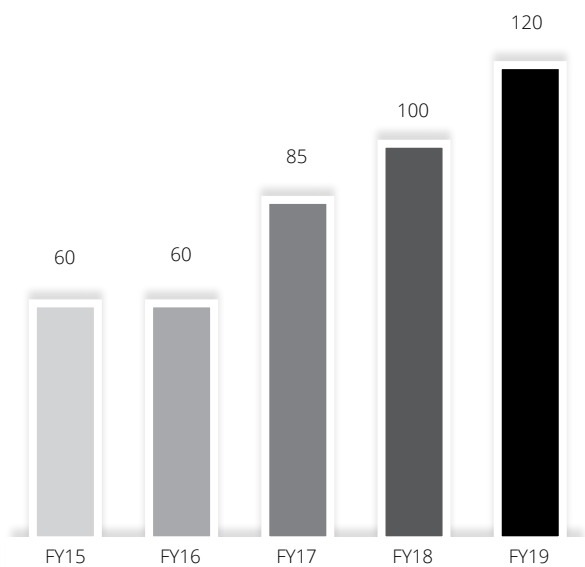
Gross Turnover (in Rs. Crores)



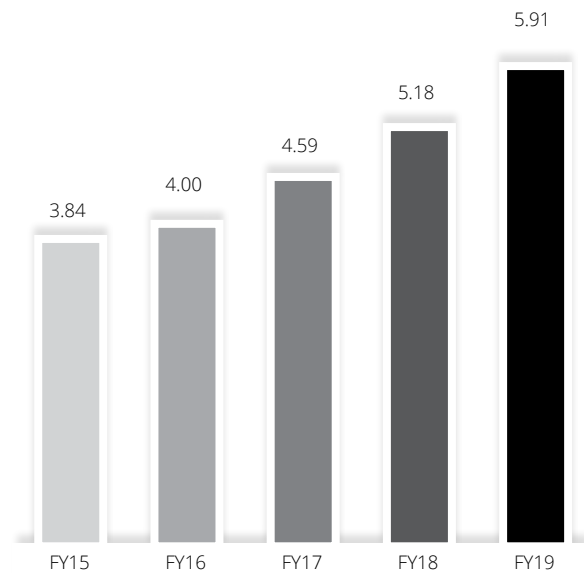
Profit after Tax (in Rs. Crores)



Dividend (%)



Average sales per day (mmscmd)



# BOARD OF DIRECTORS



**Shri Gajendra Singh**  
Chairman



**Shri E. S. Ranganathan**  
Managing Director



**Shri Amit Garg**  
Director (Commercial)



**Shri R.P. Natekar**  
Director



**Shri Rajeev Verma**  
Director



**Smt. Saroj Bala**  
Director



**Shri R.S. Sahoo**  
Director



**Dr. A.K. Ambasht**  
Director



**Shri R.N. Misra**  
Director



**Shri Deepak Mishra**  
Director

## Bankers

- ICICI Bank Limited
- IDBI Bank Limited
- State Bank of India
- Axis Bank Limited
- Andhra Bank
- HDFC Bank Limited
- IndusInd Bank Limited
- IDFC Bank Limited
- HSBC Bank

## Statutory Auditors

M/s Walker Chandio & Co. LLP

## Cost Auditors

M/s Ramanath Iyer & Co.

## Secretarial Auditors

M/s V.K. Sharma & Co.

## Company Secretary

Shri S. K. Jain

## Registered Office

IGL Bhawan, Plot No. 4,  
Community Centre, Sector 9,  
R K Puram, New Delhi - 110022

CIN: L23201DL1998PLC097614





# Directors' Report

To

The Members

Your Directors have pleasure in presenting the Twentieth Annual Report and the Company's audited financial statements for the Financial Year ended March 31, 2019.

## Physical Performance

During the year, the Company recorded sales as under:

Product	Figures in Million Standard Cubic Meters (mmscm)		
	For the Year 31 March 2019	For the Year 31 March 2018	% Growth (YoY)
Compressed Natural Gas (CNG)	1602.81	1412.66	13
Piped Natural Gas (PNG)	552.52	478.51	15
<b>Total</b>	<b>2155.33</b>	<b>1891.17</b>	<b>14</b>
Average Sales / per day (mmscmd)	5.91	5.18	



Shri Dharmendra Pradhan, Hon'ble Union Minister for Petroleum & Natural Gas and Steel, launching the Digital Customer Initiatives of Indraprastha Gas Limited in the presence of Shri B.C. Tripathi, then Chairman & Managing Director, GAIL (India) Limited; Shri Satpal Garg, Member, Petroleum and Natural Gas Regulatory Board (PNGRB) and Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited.

## Financial Results

The Company's financial performance for the year ended March 31, 2019 is summarised below:

(Rs. in Crores)

Items	For the Year 31 March 2019	For the Year 31 March 2018
Net Sales & Other Income	5910.99	4635.52
Profit before Depreciation & Tax	1401.08	1213.78
Depreciation	201.07	181.29
Profit before tax	1200.01	1032.49
Provision for tax	413.34	361.72
Profit after tax	786.67	670.77
Other comprehensive income	(0.94)	(0.18)
Total comprehensive income	785.73	670.59
Retained Earnings – opening balance	3069.40	2483.06
Add : Profit for the period	786.67	670.77
Profit available for appropriations	3856.07	3153.83
Appropriations:		
Dividends including Interim Dividend	140.00	70.00
Corporate dividend tax	28.78	14.25
Transferred to general reserve	-	-
Other comprehensive income recognised directly in retained earnings	(0.94)	(0.18)
Retained Earnings – closing balance	3686.35	3069.40

## Financial Reviews

During the year, the gross turnover of the Company increased from Rs. 4993.78 Crores in 2017-18 to Rs. 6336.66 Crores in 2018-19 showing an increase of 26.89%.



Shri B.C. Tripathi, then Chairman & Managing Director, GAIL (India) Limited inaugurating CGD pavilion at PETROTECH 2019 in the presence of Shri Gajendra Singh, Director (Marketing), GAIL (India) Limited & Chairman, Indraprastha Gas Limited; Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited; and senior officials from GAIL and IGL.



The Profit After Tax (PAT) increased by 17.28% from Rs. 670.77 Crores in 2017-18 to Rs. 786.67 Crores in 2018-19.

The Company has prepared the Consolidated Financial Statements also which includes the Company's share of profit in its Associates combined on an equity method in accordance with IndAS 28 - "Investment in Associates and Joint Ventures". The consolidated PAT during FY 2018-19 is Rs. 842.10 Crores against Rs. 721.72 Crores in the previous year.

## Dividend

Your Directors are pleased to recommend a dividend of 120% (Rs. 2.40 per share). The proposed dividend, including corporate dividend tax, would absorb Rs. 202.53 Crores.

The Company has Dividend Distribution Policy in terms of the requirement of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015. The Policy is available on the website of the Company under the weblink: [https://www.iglonline.net/5000\\_media/Dividend-Distribution-Policy.pdf](https://www.iglonline.net/5000_media/Dividend-Distribution-Policy.pdf)

## Performance Highlights

### Compressed Natural Gas Business

During the year, your Company showed growth in CNG business in double digit i.e.13% besides augmenting its CNG infrastructure in Delhi and NCR. The Company achieved a new milestone by setting up 500th CNG station in FY 2018-19. The Company was catering to 10.7 Lakhs vehicles including 7.4 Lakhs private cars in Delhi & NCR.



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited inaugurating the supply of CNG & PNG at Karnal.

The Company has started setting up of CNG stations under Dealer Owned Dealer Operated (DODO) model considering the constraint of land availability from government land owning agencies. This would facilitate increase in number of CNG stations to provide comfortable fuelling experience to its customers.

The Company had introduced prepaid card for its CNG customers in order to promote digital payments. Till now more than 70,000 cards are under circulation catering to 100,000 vehicles. The Company has tied up with taxi aggregator companies like Meru, Burdy cab, Yorker cab, etc. to further promote the pre-paid cards.

Company has conducted joint promotion activities with Ford and Hyundai at the CNG stations. Due to constant follow up with the car manufacturers, they have launched Company fitted CNG variants, which are becoming very popular among the customers and thus boosting the sales of CNG.

### Piped Natural Gas Business

#### PNG - Domestic Connections

PNG continued to be focus area of the Company during FY 2018-19. Total more than 2.10 Lakh new connections were provided which is the highest number of connections in a single financial year in the history of the Company. In order to create the PNG awareness further amongst target customers, a successful integrated campaign was run during the year.



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited inaugurating 1st DODO model CNG station in NCT of Delhi.

Your Company increased its steel pipeline network from 919 kms in FY 2017-18 to 1006 kms in FY 2018-19 and its MDPE network from 10,754 kms to 12,022 kms in FY 2018-19.

The Company has taken many new initiatives like digital marketing, 360-degree PNG publicity drive and introduction of attractive customer schemes such as lucky draw, one-time special discount, EMI etc. to increase the PNG customer base.

Company is also making concentrated efforts to reach congested areas which could not be tapped earlier due to technical constraints/challenges. During the year, your Company started the supply of domestic PNG in Defence establishment, which has opened another door to increase the PNG customer base.

Your Company has customer centric approach and believes in providing best quality services to its customers. During the year, the Company strengthened its Customer Relationship Management (CRM) and other IT applications to provide better services to its customers. Special focus has been made to strengthen the meter reading & billing process, which has led to the enhanced customer satisfaction.

The Company had total 11.02 Lakh connections in Delhi & NCR as on March 31, 2019.

### **PNG – Commercial & Industrial**

During the financial year, your Company continued its thrust on the Commercial & Industrial segment which is one of the potential growth areas in the coming years. Your Company

achieved a growth of around 27% in sales volume in Industrial segment & around 13% in Commercial segment during Financial Year 2018-19. In terms of number of customers, the industrial customer base increased from 1224 in March, 2018 to 1770 in March, 2019 and Commercial customer base increased from 2,205 in March, 2018 to 2,506 in March, 2019.

In Delhi, Delhi Pollution Control Committee (DPCC) has banned all other industrial fuels except PNG and has advised all industrial customers (wherever PNG is available) to switch over to PNG. Your Company has efficiently co-ordinated to implement the mandate given by DPCC by facilitating industrial customers for smooth switchover to PNG supply. In order to curb down air-pollution levels and to increase natural gas volumes, your Company has targeted diesel Genset segment, wherein PNG would replace use of diesel in Gensets. Similarly, with the ban of Furnace Oil (FO) and Petcoke in NCR by Hon'ble Supreme Court, PNG is emerging as the key energy source for Commercial & Industrial users, offering immense opportunities for growth.

### **Associate Companies**

#### **Central U. P. Gas Limited (CUGL)**

CUGL is engaged in City Gas Distribution in the cities of Kanpur, Bareilly, Jhansi and Unnao in Uttar Pradesh. Your Company holds 50% of the paid-up equity share capital of CUGL.

CUGL achieved a gross turnover of Rs. 328.03 Crores and Profit After Tax of Rs. 52.11 Crores for the financial year ended March 31, 2019.



Shri Anandi Lal Vaishnav, Additional District Magistrate, Ajmer announcing laying of CGD infrastructure by IGL in Ajmer, Pali & Rajsamand in the presence of senior officials from IGL, district administration and media persons.



## Maharashtra Natural Gas Limited (MNGL)

MNGL is in City Gas Distribution business in Pune, Pimpri, Chinchwad, Chakan, Talegaon and Hinjewadi in the State of Maharashtra. Your Company holds 50% of paid-up equity share capital of MNGL.

MNGL achieved a gross turnover of Rs. 909.84 Crores and Profit After Tax of Rs. 142.65 Crores for the financial year ended March 31, 2019.

The statement containing the salient features of the financial statements of Company's Associates pursuant to the first proviso to sub-section (3) of Section 129, is appended as Annexure 1 to this Report.

## Future Outlook

Your Company has been looking for organic as well as inorganic growth as part of its corporate strategy.

The Company has been expanding its business in existing areas of operations as well as entering into new geographical areas.



Sadhvi Niranjana Jyoti, then Hon'ble Union Minister of State for Food Processing Industries and Member of Parliament from Fatehpur announcing laying of CGD infrastructure by IGL in Fatehpur, Hamirpur & uncovered parts of Kanpur in the presence of Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited; senior officials from district administration and media persons.

In recent past, the Company has received authorizations from PNGRB for development of CGD network in the three new Geographical Areas viz. Kanpur (except areas already authorized), Hamirpur & Fatehpur districts, Kaithal district and Ajmer, Pali & Rajsamand districts in the 10th round of bidding.



Dr. Priyanka Soni, IAS, Deputy Commissioner, Kaithal announcing laying of CGD infrastructure by IGL in Kaithal in the presence of Shri Satpal Garg, Member, Petroleum and Natural Gas Regulatory Board (PNGRB); Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited, senior officials from IGL, district administration and media persons.

The Company was also permitted to takeover the CGD Activities in entire Gurugram district from Haryana City Gas Distribution Pvt. Ltd. The valuation process is sub-judice in the Hon'ble Supreme Court of India, and the outcome is expected in the near future.

In the existing areas, there are growth drivers which shall increase the sales volume in all segments of Company's business.

It is expected that price differential of CNG and liquid fuel will continue to drive the conversion of petrol driven private vehicles to CNG mode. DTC has plans to add 1000 new CNG buses which would add to CNG sales of the Company. With the spread of CNG in new geographical areas, car manufacturers are coming out with new CNG variants cars.

In PNG segment also, the Company is working aggressively to meet the target given by MoPNG.

In the coming years, it is expected that other state pollution control boards mainly in NCR would also mandate use of PNG by Industrial Customers in line with DPCC direction, thereby giving further boost to Natural Gas volumes.



Dr. Bhure Lal, IAS (Retd.) Chairman, Environment Pollution (Prevention & Control) Authority (EPCA), laid the foundation stone of first HCNG station in the presence of Ms. Sunita Narain, Member, EPCA; Shri Sanjiv Singh, Chairman, Indian Oil Corporation Limited; Shri Gajendra Singh, Director (Marketing), GAIL (India) Limited & Chairman, Indraprastha Gas Limited; Dr. SSV Ramakumar, Director (R&D), IOCL; Shri Manoj Kumar, IAS, Chairman, Delhi Transport Corporation (DTC); and Shri E.S.Ranganathan, Managing Director, Indraprastha Gas Limited.

The Company is also looking for expanding its operation through merger or acquisition of stakes in other CGD Companies in the country.

Your Company has also entered into various Memorandum of Understandings (MoUs) with various parties for setting up of LNG/LCNG stations, conversion of diesel gensets into gas gensets and providing charging facilities for electrical vehicles at CNG stations. All these initiatives would add to the future growth of the Company.

The Company has earmarked Rs. 1170 Crores for FY 2019-20 for capital expenditure.

### Information Technology

Your Company has remained committed towards keeping customer services on priority and delivering world class services to its customers through latest technology enabled service platform and IT infrastructure. Your Company has added a plethora of service options in the existing customer app – IGL CONNECT with a new and refreshing user interface, advanced features including refer & win scheme and self-billing facility etc. to ensures hassle free and convenient billing and also reducing the manual efforts of meter reader. Your Company has also introduced spot billing facility to optimize the meter reading and billing process conveniently and concurrently on the spot at customer's location by meter reader.

Your Company has introduced prepaid meters which has not only ensured hassle free billing of customers but also enabled convenient revenue collection. The Company has launched prepaid meter based billing for all the new geographical areas recently awarded to IGL in 9th and 10th round CGD bidding. Your Company has also performed integration through NIC to carry out automatic transfer of ownership of PNG connection during property registration at the revenue department (Delhi Govt.).

In the CNG segment, your Company has explored ways to overcome problem of long queues at CNG station and went ahead with implementing an app based CNG queue management solution, which is available to customers on IGL CONNECT App. Customers can not only utilize this app for locating nearest CNG station but can also choose the station with minimum waiting time which is displayed against each of these stations. Your Company has developed new IGL Safety Work Permit system (IGL-SWP) app for Fire & Safety (F&S) department to automate the process of issuing work permits to carry out activities requiring clearance from F&S.

In order to provide more and better means of connecting with IGL customers, the Company has extended another medium to reach customer complaints on social media by introducing "Social CRM" through which customer can conveniently reach IGL for their complaints, requests, grievances and suggestions.

The Company has strengthened its core IT infrastructure which includes implementing CISCO's DNS solution as a measure of



strengthening web security. Your Company has also migrated its existing disaster location site from tier-3 data centre in Pune to CtrlS data centre in Bangalore which is tier 4 data centre along with conducting a successful data recovery drill.

Your Company has also enhanced and extended the existing IGL intranet on new platform as "IGLOO" with new look and informative content including various links to other services including web based service desk and asset management software, CRM, Employee self service etc.

## Human Resources

The Company realizes that the challenges of the future can be best met with competent and motivated human resources. The Company is taking various HR initiatives to add value to its pool of human talent and integration of individual goals with that of Company. Company is reviewing HR and Employee related Policies/benefits for its employees to make them more competitive and aligned with industry practices. Organization transformation initiative is also underway.

Learning and development of employees form an integral part of the Company's Policy towards accomplishing organizational goal. During the year, our employees were provided trainings viz. Executive Diploma in Project Management (EDPM) and Team Building Exercises.

During the year, employees were encouraged to participate in various sports events viz IGL Cricket Tournament, Delhi Half Marathon, Cyclothan Events, Yoga Sessions, Brahmakumari Workshop to take care of employee's health & fitness.

The Company also inducted various young professionals at entry level as well as junior management level to infuse talent in the professional arena. The comprehensive class room as well as on-site Induction Training has also been imparted to new GETs. In addition, GETs were imparted training in Smart Learning Transform System (SLTS) through online mode.

The Company has also maintained a harmonious and cordial relation among its employees. The Company recognizes and appreciates the contribution of all its employees in its growth path.

## Health Safety and Environment (HSE)

"Safety First" is always the motto of your company and Safety is given the top priority. Your Company is determined to sustain a positive safety culture throughout its business areas.

IGL has rolled out app based Safety Work Permit System for CNG and PNG sites which is first of its kind in any CGD companies and helps in improving real time monitoring of work sites. In line with Company's HSE policy, Safety Audits and other statutory compliances are done to ensure safety at all aspects of IGL's operations.



Conducting Fire & Safety clinic for CNG customers at IGL CNG stations.

To create safety awareness, IGL has conducted sessions on Safety Management System in Natural Gas distribution for various CGD Companies and statutory authorities. Safety training is regularly imparted to the employees, contract staff, Safety Awareness programs are conducted regularly for consumers of CNG and PNG through safety clinics.

With new Emergency Response Vehicles (ERVs) placed at new GA's which are manned round the clock to respond fast to any gas leak or emergency situation, the safety system and emergency plan has been further strengthened. Mock drills are carried out regularly to check preparedness to control emergencies and this year, IGL participated in Level



Conducting of Fire & Safety training to the residents of a residential colony at New Delhi.

3 Emergency Mock drill conducted by National Disaster Management Authority. Also, Emergency Response & Disaster Management Planning (ERDMP) document of IGL got reaccredited by PNGRB approved third part agency.

Your Company has crossed 161 Million Man Hours accident free till 31st March 2019. This milestone achievement is a result of hard work of all the individuals working directly and indirectly for the Company.

Your Company has been conferred Safety Innovation Award by Institute of Engineers and Certificate of Appreciation from National Safety Council to recognize the excellence in the field of Fire & Safety management during FY 2018-19.

### Corporate Social Responsibility

Your Company is fully conscious of its Corporate Social Responsibility (CSR). In addition to carrying forward various CSR projects started in the earlier year, many new ones were also initiated in FY 2018-19.

Your Company has strategically aligned many of its CSR activities to create value for the society. Your Company has identified health, education, empowerment of underprivileged and skill development as its major focus areas, on which most of the CSR programmes are targeted.

The Company realizes that good health of public transport drivers is paramount to ensure safety on the roads. Therefore, your Company is carrying forward 'IGL Swasth Saarthi' – a comprehensive health management programme for auto and taxi drivers in Delhi and NCR, wherein a series of comprehensive Health check-up camps and Non Communicable Diseases (NCD) camps are being organized at various CNG stations. Further, a group accident insurance cover is being provided to all drivers of CNG run public transport in the region under 'IGL Suraksha Yojna'.

Building Bonds through Gender Sensitization is one of the key CSR programme of your Company. It is a training programme for taxi, bus and auto drivers in Delhi & NCR thus making commuting in public transport safer for the women. Your Company is also laying emphasis on initiatives aimed at empowerment of women especially young girls. This year also, self-defence training has been provided to girl students of government schools through an NGO. Special training on sewing machine operatorship has been provided to rural women in the region to empower them to earn on their own.

The Company has been supporting meritorious students from under-privileged strata of society for specialized coaching for engineering entrance examination, through a scheme run by an NGO for the last nine years. This year 25 meritorious underprivileged students were supported under this programme and all of them have been able to secure admission in reputed engineering colleges.

Considering the ever growing demand for skilled manpower across sectors as a result of 'Make in India' programme, your Company is contributing towards Skill Development programmes for unemployed youth, in the fields of gas plumbing and welding, by providing technical oriented quality training. Your Company has set up a Gas Plumbing Training Centre in a government run ITI and is running a special module for students to provide them specialised skills related to gas plumbing. Through other programmes being run by NGOs, your Company is also providing skill development training to several underprivileged youths to enhance employability in multiple fields such as gas plumbing, mobile phone hardware repair technician, CCTV installation technician, assistant beauty therapist, home appliances technician, automotive service technician & tailoring at Delhi, Ghaziabad and Rewari.

Your Company continues to be one of the stakeholders of Road Safety Cell of Delhi Traffic Police and actively supports all Road Safety Campaigns of Delhi Traffic Police.

The annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is appended as Annexure 2 to this report.

Your Company received following awards for its CSR activities during FY 2018-19:



Shri E.S. Raganathan, Managing Director, Indraprastha Gas Limited receiving the CSR Leadership Award from then Union Minister of State (I/C) for Urban Development, Shri Hardeep Singh Puri at National Swachhata Summit 2019.





1. CSR Community Initiative Awards for IGL Swasth Saarthi and Self Defence training programmes at New Delhi.
2. CSR Health Impact Awards 2018 for IGL Swasth Saarthi programme at New Delhi.
3. Asia's best CSR Leadership Awards for categories of Women Empowerment and Innovation in CSR practices at Singapore.
4. CSR Times Awards 2018 organized at New Delhi.
5. Social Imprints - CSR Awards & Summit 2019 for Women Empowerment organized at New Delhi.
6. Social and Business Enterprise Responsible Awards organized by SABERA for IGL Swasth Saarthi Programme at New Delhi.
7. CSR Leadership award under the category Conservation, Pollution Control and Clean Environment & Resources held at New Delhi.
8. Award for Gender Sensitization CSR programme at Dainik Jagran CSR awards 2019 at New Delhi.

## Directors Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- i. In the preparation of Annual Accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed;
- ii. they have selected such accounting policies and applied them consistently except where otherwise stated in the Notes to Accounts and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the Annual Accounts for the Financial Year ended March 31, 2019 on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Directors

Shri S. Ramesh ceased to be a Director & Chairman of the Company w.e.f. September 24, 2018 due to his untimely demise. Shri Arun Kumar Singh, nominee of Bharat Petroleum Corporation Limited (BPCL) was appointed as Chairman w.e.f. October 1, 2018.

Shri S. S. Rao, Prof. V. Ranganathan and Shri Santosh Kumar Bajpai ceased to be Directors of the Company w.e.f. October 16, 2018.

Shri Gajendra Singh, nominee of Gail (India) Limited (GAIL), was appointed as Chairman w.e.f. January 14, 2019 and Shri Arun Kumar Singh ceased to be director of the Company.

Shri R. P. Natekar, nominee of BPCL, was appointed as an Additional Director of the Company w.e.f. January 14, 2019. Shri S. Bairagi, nominee of GAIL ceased to be Director w.e.f. January 14, 2019.

Smt. Saroj Bala, Dr. A. K. Ambasht and Shri R. S. Sahoo were appointed as Additional and Independent Directors of the Company w.e.f. February 11, 2019.

Shri Raghu Nayyar and Dr. Sudha Sharma ceased to be Directors of the Company w.e.f. March 20, 2019.

Shri R. N. Misra and Shri Deepak Mishra were appointed as Additional and Independent Directors of the Company w.e.f. June 11, 2019 and June 13, 2019, respectively.

The proposals for appointment of Smt. Saroj Bala, Dr. A. K. Ambasht, Shri R. S. Sahoo, Shri R.N. Misra and Shri Deepak Mishra as Independent Directors of the Company are being placed before the shareholders for approval in the ensuing Annual General Meeting of the Company.

Shri Rajeev Verma, nominee of Government of NCT of Delhi, was appointed as an Additional Director of the Company w.e.f. June 21, 2019 in place of Smt Varsha Joshi who ceased to be a Director w.e.f. May 23, 2019.

Shri Amit Garg, nominee of BPCL, was appointed as Director (Commercial) w.e.f. July 25, 2019 in place of Shri Rajiv Sikka who ceased to be a Director w.e.f. July 2, 2019.

The Board takes this opportunity to place on record its appreciation for valuable contribution made by Shri S. Ramesh, Shri Arun Kumar Singh, Shri Rajiv Sikka, Shri S. Bairagi, Shri Santosh Kumar, Prof. V Ranganathan, Shri S. S. Rao, Shri Raghu Nayyar, Dr. Sudha Sharma and Smt. Varsha Joshi during their tenure as the Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited presenting dividend cheque for FY 2017-18 to Shri Anil Baijal, Hon'ble Lieutenant Governor of NCT of Delhi, in presence of senior IGL officials.

they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as the "Listing Regulations").

The details of programmes for familiarization of Independent Directors with the Company are put up on the website of the Company, i.e., [http://www.iglonline.net/english/5000\\_media/Investor\\_Relations/Familiarization-Programmes-for-Independent-Directors.pdf](http://www.iglonline.net/english/5000_media/Investor_Relations/Familiarization-Programmes-for-Independent-Directors.pdf).

The Nomination & Remuneration Committee considers various criteria such as age, qualification, expertise, diversity in composition of Board and likely contribution to the Company while recommending the name of the Independent Directors.

The Board of Directors carried out the evaluation of every Director, Committees of Board and the Board as a whole, based on the laid down criteria of performance evaluation.

## Corporate Governance

As per the requirement of the Listing Regulations, a detailed Report on Corporate Governance and certificates regarding compliance of conditions of Corporate Governance are annexed as part of the Annual Report.

Remarks referred to in the Auditors' Certificate on Corporate Governance for FY 2018-19 of M/s V. K. Sharma & Co., Practicing Company Secretaries are self-explanatory and do not call for any further comments.

## Business Responsibility Report

As per the requirement of the Listing Regulations, a detailed Report on Business Responsibility is annexed as part of the Annual Report.



## Deposits

During the financial year 2018-19, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

## Particulars of Loans, Guarantees or Investments

During the year 2018-19, your Company has not granted loans nor given guarantee nor made any investments.

## Amount which the Company proposes to carry to any Reserves, if any

For the year 2018-19, your Company has not transferred any amount to the general reserve of the Company.

## Number of Meetings of the Board and Audit Committee

The details of the number of meetings of the Board and Audit Committee held during the financial year ended March 31, 2019 and composition of Audit Committee are given in Corporate Governance Report.

## Related Party Transactions

Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions has been disclosed on the website of the Company at - [https://www.iglonline.net/english/5000\\_media/About\\_us/Related-Party-Policy.pdf](https://www.iglonline.net/english/5000_media/About_us/Related-Party-Policy.pdf)

Details of transactions with related parties are being disclosed separately in the Annual Report. One contract with GAIL qualify as material transactions under Listing Regulations, the same is being placed for shareholders' approval in the ensuing Annual General Meeting (AGM).

## Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC). During the financial year 2018-19, no complaint with allegation of sexual harassment was received by the Company.



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited presenting dividend cheque for FY 2017-18 to Shri B.C. Tripathi, then Chairman & Managing Director, GAIL (India) Limited in the presence of senior officials from IGL and GAIL.

## Risk Management and Internal Financial Control Adequacy

Your Company has Risk Management System in place including the Risk Policy & identification of the Risks which are reviewed periodically. The Company has also constituted Risk Management Committee w.e.f. April 1, 2019 as per the requirement of the Listing Regulations.

Your Company has laid down a set of standards, processes and structure for internal financial control across the organization and ensures that the same are adequate and operating effectively.

## Vigil Mechanism

The Company has a Whistle Blower Policy as part of the vigil mechanism, which provides a platform to the employees, directors, vendors and suppliers of the Company to come forward and raise their genuine concerns without any fear of retaliation and victimization. The Company has engaged an independent third party service provider to manage the operations of the whistle-blower platform. The details of the Whistle Blower Policy are available on the website of the Company [www.iglonline.net](http://www.iglonline.net). Besides Whistle Blower Policy, the Company has also framed vigil mechanism under which the stakeholders can lodge their complaint(s) to Chief Ethics Officer of the Company.

## Cost Auditors

Your Company had appointed M/s Ramanath Iyer & Co., New Delhi as Cost Auditors for the financial year 2018-19.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of your Company has re-appointed M/s Ramanath Iyer & Co., New Delhi, Cost Accountants, as the Cost Auditors of the Company for the financial year 2019-20. The remuneration proposed to be paid to the Cost Auditors is subject to the ratification by the members at the ensuing Annual General Meeting of the Company.

Your Company is maintaining cost records as specified by the Central Government under Section 148 of the Companies Act, 2013.

## Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, your Company had appointed M/s V. K. Sharma & Co., Practicing

Company Secretaries, Noida, as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2018-19. The Report of Secretarial Auditor for the FY 2018-19 is appended as Annexure 3 to this report.

Remarks referred to in the Secretarial Auditors' Report for FY 2018-19 of M/s V. K. Sharma & Co., Practicing Company Secretaries are self-explanatory and do not call for any further comments.

## Disclosures Regarding Remuneration

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure 4 to this report.

## Extract of Annual Return

Extract of Annual Return of the Company is appended as Annexure 5 to this report.

## Statutory Auditors

In exercise of powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) vide its letter dated July 31, 2019 has appointed M/s Walker Chandiook & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for the financial year 2019-20.

The Notes on financial statements referred to in the Auditors' Report for FY 2018-19 of M/s Walker Chandiook & Co. LLP, Chartered Accountants are self-explanatory and do not call for any further comments.

Review and Comments of CAG, on Standalone and Consolidated financial statements for the FY 2018-19 form part of financial statements of the Company.

## Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and Outgo

The information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule (8) of the Companies (Accounts) Rules, 2014 is appended as Annexure 6 to this report.



## Acknowledgements

Your Directors express their gratitude to the Ministry of Petroleum & Natural Gas, State Governments of NCT of Delhi, Uttar Pradesh, Haryana & Rajasthan, Petroleum and Natural Gas Regulatory Board, and Promoter Companies (GAIL & BPCL) for their continuous guidance & support throughout the year.

The Directors also acknowledge the support of all Statutory & Local Authorities, Bankers, Media, Station Operators & their employees, contractors, vendors and suppliers.

The Directors place on record their deep appreciation towards IGL's valued customers for their continued patronage support and look forward to the continuance of this relationship in future also.

The Directors wish to express their gratitude to all the shareholders for their continued trust and support.

The Directors also sincerely acknowledge the contributions made by all the employees of IGL for their dedicated services to the Company.

For and on behalf of Board of Directors

Sd/-  
**E. S. Ranganathan**  
Managing Director

Sd/-  
**Amit Garg**  
Director (Commercial)

Place: New Delhi  
Date : August 14, 2019



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited presenting dividend cheque for FY 2017-18 to Shri D. Rajkumar, Chairman & Managing Director, BPCL in the presence of senior officials from IGL and BPCL.

## ANNEXURE 1

**Form No. AOC-1**

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

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sl. No.
2. Name of the subsidiary
3. The date since when subsidiary was acquired
4. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
6. Share capital
7. Reserves & surplus
8. Total assets **Not Applicable**
9. Total Liabilities
10. Investments
11. Turnover
12. Profit before taxation
13. Provision for taxation
14. Profit after taxation
15. Proposed Dividend
16. Extent of shareholding (in percentage)

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

- Names of subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year – Not Applicable

**Part "B": Associates and Joint Ventures**

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

Sl. No	Name of Associates or Joint Ventures	Central UP Gas Limited (CUGL)	Maharashtra Natural Gas Limited (MNGL)
1.	Latest Balance Sheet Date	31.03.2019 (Audited)	31.03.2019 (Audited)
2.	Date on which Associate or Joint Ventures was associated or acquired	21.06.2013	26.03.2015
3.	Shares of Associate or Joint Ventures held by the Company on the year end		
	i. No.	30000000	50000000
	ii. Amount of Investment in Associates or Joint Ventures	Rs. 68.12 Crores	Rs. 190.00 Crores
	iii. Extent of Holding (in percentage)	50%	50%



Sl. No	Name of Associates or Joint Ventures	Central UP Gas Limited (CUGL)	Maharashtra Natural Gas Limited (MNGL)
4.	Description of how there is significant influence	Holding 50% (Equity shares)	Holding 50% (Equity shares)
5.	Reason why the associate is not consolidated	Consolidated	Consolidated
6.	Net worth attributable to shareholding as per latest Balance Sheet	Rs. 282.01 Crores	Rs. 520.97 Crores*
7.	Profit / Loss for the year		
	i. Considered in Consolidation	Rs. 26.05 Crores	Rs. 71.33 Crores*
	ii. Not Considered in Consolidation	Rs. 26.05 Crores	Rs. 71.33 Crores*

\*These figures are based on Audited Accounts of MNGL for FYE March 31, 2019. However, consolidated financial statements of the Company for FYE March 31, 2019 contains Unaudited Accounts of MNGL.

For and on behalf of **Board of Directors**

Sd/-  
**E. S. Ranganathan**  
Managing Director

Sd/-  
**Amit Garg**  
Director (Commercial)

Place: New Delhi  
Date : August 14, 2019

Sd/-  
**S. K. Jain**  
Company Secretary

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

## ANNEXURE 2

## Annual Report on CSR Activities for the financial year 2018-19

### 1. Outline of CSR Policy

Indraprastha Gas Limited (IGL) recognizes that its business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders.

A responsible business is expected to not only take care of its stakeholders but also to engage and contribute meaningfully towards improving the quality of life of the communities and environment in which it operates. IGL follows the Board approved CSR Policy which is in line with the requirements of The Companies Act, 2013.

The contents of CSR Policy of IGL are displayed on IGL's website at <http://iglonline.net/CSR.aspx>.

### 2. Composition of the CSR Committee, as on 31st March 2019

Smt. Saroj Bala : Chairperson  
Shri E. S. Ranganathan : Member  
Shri Rajiv Sikka : Member

### 3. Average Net Profit of the company in the last three financial years: Rs.828.98 Crores.

### 4. Prescribed CSR expenditure (2% of the amount mentioned above in 3) – Rs 16.58 Crores.

5. a) Total Amount to be spent in the financial year: Rs 16.58 Crores.  
b) Amount spent: Rs. 14.49 Crores.\*  
c) Amount unspent: Rs. 2.09 Crores.

\*Amount utilized on CSR for year 2018-19 was Rs. 14.49 Crores against actually disbursed amount of Rs. 16.26 Crores.

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
1	IGL Suraksha Yojana	Eradicating poverty (Jul'18-Jul'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	18.71	18.71	18.71	Direct
2	IGL Swasth Saarthi	Promoting Healthcare including Preventive Healthcare (Apr'18-Mar'19) Managing Swasth Saarthi web portal	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	84.60	78.22	78.22	Direct
				1.12	1.12	1.12	Direct





1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
3	<b>Building Bonds through Gender Sensitization for Auto, Taxi &amp; Bus drivers in Delhi, Noida &amp; Gurugram</b>	Vocational Skills (Apr'17-Mar'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	288.17	18.33	263.75	Manas Foundation
4	<b>Building Bonds through Gender Sensitization for Auto, Taxi &amp; Bus drivers in Delhi, Noida &amp; Gurugram</b>	Vocational Skills (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	236.99	213.84	213.84	Manas Foundation
5	<b>Sewing Machine Operator Training programme for rural women of Noida &amp; Greater Noida</b>	Women Empowerment and Employment enhancing vocational skills (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	48.05	37.34	37.34	Amity Humanity Foundation
6	<b>Self Defence training to over 15000 school girls from 25 Govt. Schools</b>	Promoting Women & Girl Child Empowerment (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	107.55	107.55	107.55	Asheray Welfare & Charitable Society
7	<b>Distribution of e-slates to girl students from SDMC schools</b>	Promoting Education (Apr'18-May'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	10.62	10.62	10.62	Gramin Vikas Trust
8	<b>All Round School Improvement in School Education programme at 15 South Delhi Municipal Corporation (SDMC) schools</b>	Promoting Education (Jul'17- Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	74.89	22.84	51.96	Aspire
9	<b>All Round School Improvement in School Education programme at 15 South Delhi Municipal Corporation (SDMC) schools</b>	Promoting Education (Nov'18-Oct'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	94.55	28.36	28.36	Aspire

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
10	Upbringing of vulnerable children through enabling women via livelihood	Empowerment of women and underprivileged (Jun'17-Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	53.80	10.76	53.80	SOS Children's Village of India
11	Upbringing of vulnerable children through enabling women via livelihood	Empowerment of women and underprivileged (Nov'18-Nov'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	71.10	20.65	20.65	SOS Children's Village of India
12	School Support programme at a MCD run school at Mukundpur, Delhi	Promoting Education (Mar'17-Mar'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	48	4.8	48	Khushii
13	School Support programme at a MCD run school at Mukundpur, Delhi	Promoting Education (May'18-Apr'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	56.91	56.91	56.91	Khushii
14	Preventive eye care for the underprivileged communities of NCR region	Promoting Healthcare including Preventive Healthcare (Mar'17-Mar'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	47.28	6.38	47.28	Ishwar Charitable Trust
15	Preventive eye care for the underprivileged communities of NCR region	Promoting Healthcare including Preventive Healthcare (Dec'18-Dec'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	95.08	19.17	19.17	Ishwar Charitable Trust
16	Sponsorship of underprivileged students for Engineering Entrance exams coaching	Promoting Education (Jul'17-Jul'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	62.50	6.25	62.50	Centre for Social Responsibility & Leadership
17	Sponsorship of underprivileged students for Engineering Entrance exams coaching	Promoting Education (Jul'18-Jul'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	70	56.25	56.25	Centre for Social Responsibility & Leadership



1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
18	Distribution of aids and artificial limbs to differently abled people	Promoting welfare of differently abled (Aug'17-Aug'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	74.94	18.74	74.94	Artificial Limbs Manufacturing Corporation of India
19	Monitoring & Evaluation of CSR programmes	Monitoring & Evaluation of CSR programmes (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	14.16	14.16	14.16	Goodera
20	Generating sustainable livelihood opportunities through Skill Development program in Delhi & Ghaziabad	Education & employment enhancing vocational skills (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	93.74	93.74	93.74	National Yuva Cooperative Society
21	Generating sustainable livelihood opportunities through Skill Development program in Rewari	Education & employment enhancing vocational skills (Feb'19-Jan'20)	District Rewari in Haryana	96.96	25.64	25.64	National Yuva Cooperative Society
22	Providing skill development training to Persons with Disabilities	Promoting employment enhancing vocational skills for differently abled people (Dec'17-Apr'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	139.14	86.38	108.22	National Handicapped Finance and Development Corporation
23	Project Roshni - Preventive eye care for school children in Delhi	Preventive Health Care (Jan'18-Jan'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	34.28	27.48	34.28	Netram Eye Foundation
24	Project Roshni - Preventive eye care for school children in Rewari	Preventive Health Care (Jul'18-Jun'19)	District Rewari in Haryana	44.02	37.60	37.60	Netram Eye Foundation

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
25	Deployment of Traffic Wardens by Ghaziabad District Authorities	Promoting Environmental conservation and road safety (Feb'18-Jan'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	36	33.18	33.18	Deputy Controller, Civil Defence, Ghaziabad
26	Deployment of Traffic Wardens by Ghaziabad District Authorities	Promoting Environmental conservation and road safety (Feb'19-Jan'20)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	54	3.71	3.71	Deputy Controller, Civil Defence, Ghaziabad
27	Eradication of child nutrition in East Delhi Slums	Promoting eradication of child malnutrition (Apr'18-Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	28.88	28.88	28.88	Badkulla Luna Silk Khadi Society
28	Community Health awareness programme in Delhi Slums	Promoting health care through preventive health care (Apr'18-Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	18.87	18.87	18.87	Development Oriented Operations Research & Surveys
29	Skill development training of Delhi Govt. run ITI students at Gas Plumbing at ITI, Arab ki Sarai	Promoting Education & Employment enhancing vocational skill (May'18-May'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	21.90	21.90	21.90	Social Economic and Versatile Welfare Association
30	Medical- Dental health camps for MCD/ Government schools	Promoting Preventive healthcare (Jul'18-Jul'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	25.02	11.75	11.75	Buddha Education Foundation
31	Waste to Manure Programme at East Delhi	Ensuring Environmental Sustainability (May'18-Nov'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	5	5	5	Confederation of Indian Industry
32	Road Safety Summer Camp by Road Safety Cell of Delhi Traffic Police	Promoting Education & Road Safety (May'18-Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	9.09	9.09	9.09	Direct
33	Road Safety Books for road safety campaign	Promoting Education & Road Safety (May'18-Jun'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	8.50	8.50	8.50	Direct



1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
34	Traffic Mitra awards for promoting traffic sentinels of Delhi Traffic Police	Promoting road safety (Aug'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	0.30	0.30	0.30	Direct
35	Road Safety Awareness Campaign of Delhi Traffic Police	Promoting Education & Road Safety (Oct'18-Feb'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	16.67	16.67	16.67	Direct
36	Contribution towards Promotion of Art & Culture	Promoting Art & Culture (Sept'18-Oct'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	10	10	10	Hamsadhvani
37	Drive Safe Daddy Project driver awareness programme	Promoting road safety (Oct'18-Dec'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	19.81	19.81	19.81	Community Against Drunken Driving
38	Drive Safe Daddy Project driver awareness programme	Promoting road safety (Mar'19-May'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	19.81	9.90	9.90	Community Against Drunken Driving
39	Medical Health Care unit in slums in Ghaziabad	Promoting Preventive Health Care (Sep'18-Nov'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	25.70	25.70	25.70	Indian Social Responsibility Network
40	Medical Health Care unit in slums in Ghaziabad	Promoting Preventive Health Care. (Feb'19-Jan'20)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	98.44	13.55	13.55	Indian Social Responsibility Network
41	Construction of Skill Development Training Centre for war widows of BSF at BSF Chhawla Camp	Benefits of war widows (Feb'19-Jun'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	45	25.02	25.02	Direct
42	Painting of catch barriers of elevated roads in Ghaziabad	Promoting Social Messages of Government (July 2018 )	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	20	20	20	Ghaziabad Development Authority

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Project description	Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Rs. in Lacs)	Amount spent on projects or programs in 2018-19 as on 31st March 2019 (Rs. in lacs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto 31st March 2019 (Rs. in Lacs)	Project implemented: Direct or through implementing agency
43	Skill development for 20 no. of underprivileged youth in Panchkarma Ayurvedic Training centre at Delhi	Promoting skill development (Oct'18-Sep'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	18.60	13.02	13.02	Santhigiri Ashram
44	Empowering rural communities through holistic development at Alamgirpur Village, Rewari	Upliftment of rural communities (Oct'18-Sep'21)	District Rewari in Haryana	133.01	31.50	31.50	Khushii
45	Point of care diagnostic system at 4 villages in Ghaziabad	Promoting preventive healthcare (Feb'19-Jul'20)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	170.98	2.54	2.54	State Innovations in Family Planning Services Agency
46	Supporting education for underprivileged girls from Rewari through scholarships	Promoting Education (Dec'18-Dec'19)	District Rewari in Haryana	13.32	6.92	6.92	Shikshadaan
47	Library based education programme in 125 EDMC & NDMC schools	Promoting Education (Apr'18-Mar'19)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	79.69	74.60	74.60	Pratham Delhi Education Initiative Trust
48	Skill Development in computer education for underprivileged women and girls from Bawal village in Rewari	Promoting women empowerment (Feb'19-Jul'19)	District Rewari in Haryana	24.28	9.71	9.71	Growth Foundation of India
49	School Sanitation and behavioural change communication at four Govt. schools in Noida	Promoting Sanitation, Health & Hygiene (Aug'17-May'18)	Local area i.e, Delhi & NCR (Noida, Greater Noida & Ghaziabad)	33.77	6.75	33.77	Charities Aid Foundation
<b>Total Amount (Rs. in Lakhs)</b>				<b>2903.80</b> (Rs. 29.04 Crores)	<b>1448.71</b> (Rs. 14.49 Crores)	<b>2018.50</b> (Rs. 20.19 Crores)	



## **6. In case company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.**

IGL has been consistently scaling up its CSR spent every year. In line with the Board approved CSR Policy, in addition to the ongoing CSR projects from previous FY 2017-18, a large number of new CSR projects had been identified and initiated in FY 2018-19. The amount spent and utilised in FY 2018-19 on CSR projects amounting to Rs. 14.49 Crores was nearly 25% more than the amount spent in FY 2017-18 i.e Rs. 11.60 Crores. The overall budget of CSR initiatives undertaken in FY 2018-19 was Rs. 29.04 Crores. It is pertinent to mention that while the actual fund released by IGL for implementing these CSR projects in 2018-19 was Rs. 16.26 Crores, however, the amount actually utilized and hence booked as CSR spent during the year amounts to Rs. 14.49 Crores.

Also, since the span of execution of activities under many CSR programmes are spread over the financial year, many implementing partners tend to utilise the funds in the next financial year. Therefore, funds for few programmes initiated in FY 2018-19 would be released and utilised in FY 2019-20 as well.

As a CSR intervention, during the year, IGL signed an agreement with SIFPSA (State Innovations in Family Planning Services Project Agency) (Government of Uttar Pradesh) to take preventive health care in form of point of care diagnostic system to four villages in district Ghaziabad. Out of the budgeted cost of this programme i.e, Rs. 1.71 Crores, IGL released an amount of Rs. 34 Lakhs but only Rs. 2.5 Lakh out of it was spent and booked during the year. Also, a CSR proposal from Akshaya Patra Foundation was approved for setting up of a mega kitchen towards mid-day meal for Government school children in Ghaziabad which was budgeted at Rs. 2.70 Crores. However, IGL did not release any amount to the foundation towards this projects since land usage could not be converted from being an agriculture land during the year.

The successful CSR projects of FY 2018-19, like Building Bonds through Gender Sensitisation, IGL Swasth Sarthi, Coaching for engineering entrance examination to underprivileged students, Self Defence training for school girls, Remedial Education programmes at municipal schools, Skill Development for rural women and underprivileged/ unemployed youth etc. are being further scaled up in FY 2019-20 after analysing their impact. IGL has taken/ scaled up its CSR interventions in its new Geographical Areas (GAs) such as Rewari, In future also, all the projects would be ramped up in the subsequent years after gauging impact of these initiatives through impact assessment studies.

## **7. CSR Committee Responsibility Statement**

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

Place: New Delhi  
Date: August 14, 2019

Sd/-  
**E. S. Ranganathan**  
Managing Director

Sd/-  
**Saroj Bala**  
Chairperson, CSR Committee

## ANNEXURE 3

**Form No. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2019**

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

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2019**

To,  
The Members,  
**Indraprastha Gas Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indraprastha Gas Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Indraprastha Gas Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indraprastha Gas Limited ("the Company") for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (i) And other applicable laws which in our opinion were applicable to the Company i.e. The Petroleum and Natural Gas Regulatory Board Act, 2006 and The Petroleum Act, 1934.

We have also examined compliance with the applicable Regulations/Standards of the following:

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;





(ii) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent they were applicable. The Company has incurred an expenditure of Rs. 14.49 Crores (Previous year Rs.11.60 Crores) on Corporate Social Responsibility activity specified under the provisions of the Companies Act 2013 as against the required spend of Rs. 16.58 Crores (Previous year Rs. 14.30 Crores).

### **We further report that-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that the percentage of Independent directors fell below the required 50% for part of the year and a delay of 26 days occurred before the composition of the board could be restored. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications

on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no specific event/action which has a major bearing on the affairs of the Company in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

**for V. K. Sharma & Co.**  
Company Secretaries

Sd/-  
**(V. K. Sharma)**  
FCS: 3440  
C. P. No.:2019

Place: Noida  
Date: August 14, 2019

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**'Annexure A'**

**To,  
The Members,  
Indraprastha Gas Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification procedures on test basis.
5. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**for V. K. Sharma & Co.**  
Company Secretaries

Sd/-  
**(V. K. Sharma)**  
FCS: 3440  
C. P. No.:2019

Place: Noida  
Date: August 14, 2019



## ANNEXURE 4

### Disclosures with respect to remuneration and other details as required Under Section 197(12) of Companies Act, 2013 and Rule 5(1) & (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19;

S. No	Name of Director	Director's Remuneration* (Rs. In Lakhs)	Employee Median Remuneration (Rs. In Lakhs)	Ratio
1	Shri E. S. Ranganathan, Managing Director	94.41	14.45	6.53:1
2	Shri V. Nagarajan, Director (Commercial)	12.79	2.14	5.98:1
3	Shri Rajiv Sikka, Director (Commercial)	80.41	12.31	6.53:1

\*Excluding commission on profit payable to parent organisations

#### Notes:

- Ratio of remuneration is not considered for non-executive directors.
- Shri V. Nagarajan ceased to be a Director (Commercial) w.e.f. May 25, 2018.
- Shri Rajiv Sikka appointed as Director (Commercial) w.e.f. May 25, 2018.
- In case of Shri V. Nagarajan and Shri Rajiv Sikka, employee median remuneration is proportionate to their period of directorship during financial year 2018-19.

b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No	Name of Director* and KMP**	% increase in remuneration
1	Shri S. K. Jain, Company Secretary	25.37%

\*Shri E. S. Ranganathan, Shri V. Nagarajan and Shri Rajiv Sikka get remuneration from their employers i.e. GAIL & BPCL. Your Company has paid the amount including GST to promoters as secondment charges as these Directors are not the employees of the Company.

\*\*The percentage increase in remuneration of Shri Rakesh Chawla, CFO has not been given for FY 2018-19 as the same is not comparable with the previous year as he was appointed as CFO w.e.f. August 1, 2018.

c. In the financial year 2018-19, there was an increase of 7.28% in the median remuneration of employees.

d. The number of permanent employees on the rolls of Company as on March 31, 2019 was 644. The Company has maintained peaceful and harmonious relations with all its employees.

e. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 19.75%.

f. Details of top ten employees in terms of remuneration drawn for the financial year 2018-19 are as under:

Name	Designation	Remuneration (Rs.)	Qualification	Experience (years)	Joining Date	Age (years)	Last employment
Shri Ashim Batra	Sr. Vice President – PNG Project and O&M	1,04,24,132	BE, MBA (Mktg.)	35	23.06.2003	57	Vietrans Pvt. Ltd.
Shri Manjeet Singh	Sr. Vice President – Project Engineering Services & JV Cor-ord	91,84,516	B. Tech, PGDM (Mktg.)	34	27.09.2006	57	Bharat Petroleum Corp. Limited
Shri Praveen Kumar Pandey	Vice President – Marketing	88,54,618	BE (Mech)	34	02.01.2006	56	Sriram Fertilizer & Chemicals Limited

Name	Designation	Remuneration (Rs.)	Qualification	Experience (years)	Joining Date	Age (years)	Last employment
Shri Sudhanshu Pant	Vice President - ERP & IT	73,98,841	BE (Mech)	35	02.12.2003	58	TIL Limited
Shri Navnit Chandra Mangla	Vice President - Contract & Procurement	72,90,754	BE (Mech)	32	31.05.2004	54	JCB India Limited
Shri Ajai Tyagi	Vice President - PNG Project and O&M	72,52,008	B. Tech (Electrical)	29	23.06.2003	50	India Glycols Limited
Shri Sunil Kumar Jain	Vice President - Company Secretary	72,11,554	CS, CMA, LLB	30	18.06.2004	54	Maharashtra Seamless Ltd.
Shri Vinod Kumar Dhaaka	Vice President - Corporate Strategy	69,66,218	MBA (Marketing)	30	24.11.2003	55	LG Polymers Pvt. Ltd.
Shri Raman Kumar Srivastava	Chief Gen. Manager - Instrumentation & Automation	67,60,398	B. E (Electronics)	27	26.12.2007	48	DCM Sriram Consolidated Limited
Shri Alok Sharma	Chief Gen. Manager - Fire & Safety	66,37,483	BE (Fire)	27	26.06.2006	51	GAIL India Limited
Shri Susheel Jad	Chief Gen. Manager - Legal	66,37,483	LLM	28	31.07.2006	51	NFL

**NOTES:**

- Remuneration includes salary, allowances, Leave Travel Allowances, Performance Linked Incentive, Company contribution to PF, gratuity, NPS and other perks.
- None of the employees mentioned above hold more than 2% of the shares of your Company, alongwith their spouse and dependent children.
- None of the employees mentioned above is a relative of any director.

g. It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company

**Form No. MGT-9**

Extract of Annual Return  
as on the financial year ended on 31.03.2019  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. Registration and Other Details:**

1. CIN	L23201DL1998PLC097614
2. Registration Date	23/12/1998
3. Name of the Company	Indraprastha Gas Limited
4. Category / Sub-Category of the Company	Company limited by shares/Indian Non- Government Company
5. Address of the Registered office and contact details	IGL Bhawan, Plot No.4, Community Centre, Sector-9, R. K. Puram, New Delhi - 110022. Contact No: 011-46074607
6. Whether listed Company	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032.
Tel. No's	040-67162222
Fax No's	040-23001153
Toll Free no.	1800-345-4001
E-Mail Address	einward.ris@karvy.com

**II. Principal Business Activities of the Company:**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Natural Gas	3520	100

**III. Particulars of Holding, Subsidiary and Associate Companies**

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Central U. P. Gas limited A-1/4 Lakhapur, UPSIDC Complex, Lakhapur, Kanpur - 208024, U.P.	U40200UP2005PLC029538	Associate	50% of paid-up equity share capital	Section 2 (6) of Companies Act, 2013
2	Maharashtra Natural Gas Limited A-Block, Plot No 27, Narveer Tanaji Wadi, PMT Bus Depot Commercial Building, First Floor, Shivaji Nagar, Pune- 411005, Maharashtra	U11102PN2006PLC021839	Associate	50% of paid-up equity share capital	Section 2 (6) of Companies Act, 2013

**(IV) Shareholding Pattern (Equity Share Capital Break-up as percentage of total equity)****(i) Category - Wise Shareholding**

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01/04/2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	<b>INDIAN</b>									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	315000400	0	315000400	45.00	315000400	0	315000400	45.00	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>315000400</b>	<b>0</b>	<b>315000400</b>	<b>45.00</b>	<b>315000400</b>	<b>0</b>	<b>315000400</b>	<b>45.00</b>	<b>0.00</b>
(2)	<b>FOREIGN</b>									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>315000400</b>	<b>0</b>	<b>315000400</b>	<b>45.00</b>	<b>315000400</b>	<b>0</b>	<b>315000400</b>	<b>45.00</b>	<b>0.00</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
(1)	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	62936703	0	62936703	8.99	54958479	0	54958479	7.85	-1.14
(b)	Financial Institutions/Banks	6408886	0	6408886	0.92	7961072	0	7961072	1.14	0.22
(c)	Central Government/ State Government(s)	0	35000000	35000000	5.00	0	35000000	35000000	5.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	43691582	0	43691582	6.24	63230216	0	63230216	9.03	2.79
(f)	Foreign Institutional Investors	149142014	0	149142014	21.30	147586967	0	147586967	21.08	-0.22
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others - Foreign National	1500	0	1500	0.00	1250	0	1250	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>262180685</b>	<b>35000000</b>	<b>297180685</b>	<b>42.45</b>	<b>273737984</b>	<b>35000000</b>	<b>308737984</b>	<b>44.11</b>	<b>1.65</b>
(2)	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	42322748	0	42322748	6.05	33513718	0	33513718	4.79	-1.26
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	36664688	81788	36746476	5.25	34934498	75448	35009946	5.00	-0.25
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	4545339	0	4545339	0.65	4244849	0	4244849	0.61	-0.04
(c)	Others									
	Clearing Members	2074365	0	2074365	0.30	1598531	0	1598531	0.23	-0.07
	IEPF	68650	0	68650	0.01	81335	0	81335	0.01	0.00
	Non Resident Indians	1238618	0	1238618	0.18	1181231	0	1181231	0.17	-0.01
	NRI Non-Repatriation	455219	0	455219	0.06	393425	0	393425	0.06	0.00
	NBFC registered with RBI	75070	0	75070	0.01	44904	0	44904	0.01	0.00
	Trusts	41980	0	41980	0.01	194395	0	194395	0.03	0.02



CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01/04/2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(d)	Qualified Institutional Buyer	0	0	0	0.00	82	0	82	0.00	0.00
	Alternative Investment Fund	251250	0	251250	0.04	0	0	0	0.00	-0.04
	Qualified Foreign Investor		0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>87737927</b>	<b>81788</b>	<b>87819715</b>	<b>12.55</b>	<b>76186968</b>	<b>75448</b>	<b>76262416</b>	<b>10.89</b>	<b>-1.65</b>
	<b>Total B=B(1)+B(2) :</b>	<b>349918612</b>	<b>35081788</b>	<b>385000400</b>	<b>55.00</b>	<b>349924952</b>	<b>35075448</b>	<b>385000400</b>	<b>55.00</b>	<b>0.00</b>
	<b>Total (A+B) :</b>	<b>664919012</b>	<b>35081788</b>	<b>700000800</b>	<b>100.00</b>	<b>664925352</b>	<b>35075448</b>	<b>700000800</b>	<b>100.00</b>	<b>0.00</b>
(C)	<b>Shares held by custodians, against which Depository Receipts have been issued</b>									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C) :</b>	<b>664919012</b>	<b>35081788</b>	<b>700000800</b>	<b>100.00</b>	<b>664925352</b>	<b>35075448</b>	<b>700000800</b>	<b>100.00</b>	<b>0.00</b>

#### (ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change During the year
		No. of Shares	% of Total Shares	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares	% of Shares Pledged/encumbered to total shares	
1	Bharat Petroleum Corporation Ltd.	15,75,00,400	22.5	0	15,75,00,400	22.5	0	Nil
2	GAIL (India) Ltd.	15,75,00,000	22.5	0	15,75,00,000	22.5	0	Nil
	<b>Total</b>		<b>45</b>	<b>0</b>		<b>45</b>	<b>0</b>	

#### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoters' Shareholding.

#### (iv) Shareholding pattern of top 10 Shareholders (other than Directors and Promoters)

Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/Decrease in share holding		No of Shares	% of total shares of the Company
1	Govt of NCT of Delhi	35000000	5.00	01/04/2018			35000000	5.00
				31/03/2019			35000000	5.00
2	Life Insurance Corporation of India	32386213	4.63	01/04/2018			32386213	4.63
				06/04/2018	1910755	Transfer	34296968	4.90
				13/04/2018	381128	Transfer	34678096	4.95
				20/04/2018	2744497	Transfer	37422593	5.35
				27/04/2018	829968	Transfer	38252561	5.46
	04/05/2018	1129182	Transfer	39381743	5.63			

Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year			Reason	Cumulative Shareholding during the Year		
		No of Shares	% of total shares of the Company	Date		Increase/Decrease in share holding	No of Shares	% of total shares of the Company
				21/12/2018	282500	Transfer	39664243	5.67
				28/12/2018	806673	Transfer	40470916	5.78
				31/12/2018	123000	Transfer	40593916	5.80
				04/01/2019	147226	Transfer	40741142	5.82
				11/01/2019	260701	Transfer	41001843	5.86
				18/01/2019	349106	Transfer	41350949	5.91
				25/01/2019	87000	Transfer	41437949	5.92
				01/02/2019	206874	Transfer	41644823	5.95
				08/02/2019	75950	Transfer	41720773	5.96
				15/02/2019	545000	Transfer	42265773	6.04
				22/02/2019	475493	Transfer	42741266	6.11
				01/03/2019	511580	Transfer	43252846	6.18
				08/03/2019	395075	Transfer	43647921	6.24
				31/03/2019			43647921	6.24
3	Vontobel Fund - MTX Sustainable Emerging Markets Leaders*	0	0.00	01/04/2018			0	0.00
				08/02/2019	6480657	Transfer	6480657	0.93
				15/02/2019	1119343	Transfer	7600000	1.09
				22/02/2019	1900000	Transfer	9500000	1.36
				01/03/2019	691106	Transfer	10191106	1.46
				22/03/2019	633450	Transfer	10824556	1.55
				29/03/2019	723716	Transfer	11548272	1.65
				31/03/2019			11548272	1.65
4	Kotak Select Focus Fund	10800000	1.54	01/04/2018			10800000	1.54
				26/10/2018	200000	Transfer	11000000	1.57
				23/11/2018	800000	Transfer	11800000	1.69
				30/11/2018	297988	Transfer	12097988	1.73
				07/12/2018	402012	Transfer	12500000	1.79
				14/12/2018	1029275	Transfer	13529275	1.93
				22/02/2019	-1445631	Transfer	12083644	1.73
				01/03/2019	961631	Transfer	13045275	1.86
				08/03/2019	484000	Transfer	13529275	1.93
				31/03/2019			13529275	1.93
5	HDFC Standard Life Insurance Company Limited	9973668	1.42	01/04/2018			9973668	1.42
				06/04/2018	450000	Transfer	10423668	1.49
				13/04/2018	14488	Transfer	10438156	1.49
				20/04/2018	100000	Transfer	10538156	1.51
				04/05/2018	225000	Transfer	10763156	1.54
				11/05/2018	202067	Transfer	10965223	1.57
				18/05/2018	97933	Transfer	11063156	1.58
				25/05/2018	7127	Transfer	11070283	1.58
				08/06/2018	45355	Transfer	11115638	1.59
				15/06/2018	14727	Transfer	11130365	1.59
				22/06/2018	76299	Transfer	11206664	1.60
				29/06/2018	56492	Transfer	11263156	1.61
				06/07/2018	100000	Transfer	11363156	1.62





Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/Decrease in share holding		No of Shares	% of total shares of the Company
				20/07/2018	71000	Transfer	11434156	1.63
				27/07/2018	-321000	Transfer	11113156	1.59
				03/08/2018	-13185	Transfer	11099971	1.59
				24/08/2018	225000	Transfer	11324971	1.62
				31/08/2018	79197	Transfer	11404168	1.63
				07/09/2018	72233	Transfer	11476401	1.64
				14/09/2018	47810	Transfer	11524211	1.65
				21/09/2018	75000	Transfer	11599211	1.66
				28/09/2018	175799	Transfer	11775010	1.68
				05/10/2018	400887	Transfer	12175897	1.74
				12/10/2018	175381	Transfer	12351278	1.76
				19/10/2018	50129	Transfer	12401407	1.77
				26/10/2018	658	Transfer	12402065	1.77
				02/11/2018	698	Transfer	12402763	1.77
				16/11/2018	204962	Transfer	12607725	1.80
				23/11/2018	75138	Transfer	12682863	1.81
				30/11/2018	90498	Transfer	12773361	1.82
				07/12/2018	235445	Transfer	13008806	1.86
				14/12/2018	175383	Transfer	13184189	1.88
				21/12/2018	365	Transfer	13184554	1.88
				28/12/2018	25054	Transfer	13209608	1.89
				31/12/2018	25000	Transfer	13234608	1.89
				04/01/2019	150240	Transfer	13384848	1.91
				11/01/2019	50539	Transfer	13435387	1.92
				18/01/2019	49971	Transfer	13485358	1.93
				25/01/2019	55	Transfer	13485413	1.93
				01/02/2019	58750	Transfer	13544163	1.93
				08/02/2019	-607529	Transfer	12936634	1.85
				15/02/2019	312215	Transfer	13248849	1.89
				01/03/2019	-249691	Transfer	12999158	1.86
				08/03/2019	542905	Transfer	13542063	1.93
				15/03/2019	7428	Transfer	13549491	1.94
				22/03/2019	-1358	Transfer	13548133	1.94
				31/03/2019			13548133	1.94
6	Morgan Stanley Investment Funds Indian Equity Fund#	8625057	1.23	01/04/2018			8625057	1.23
				06/04/2018	-1107896	Transfer	7517161	1.07
				27/04/2018	565785	Transfer	8082946	1.15
				08/06/2018	-564005	Transfer	7518941	1.07
				15/06/2018	-207699	Transfer	7311242	1.04
				29/06/2018	-397029	Transfer	6914213	0.99
				06/07/2018	-406950	Transfer	6507263	0.93
				13/07/2018	-1069182	Transfer	5438081	0.78
				20/07/2018	-523687	Transfer	4914394	0.70
				27/07/2018	-377089	Transfer	4537305	0.65
				03/08/2018	-652966	Transfer	3884339	0.55
				10/08/2018	-62184	Transfer	3822155	0.55
				17/08/2018	-11983	Transfer	3810172	0.54

Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year			Reason	Cumulative Shareholding during the Year		
		No of Shares	% of total shares of the Company	Date		Increase/ Decrease in share holding	No of Shares	% of total shares of the Company
				05/10/2018	-1344793	Transfer	2465379	0.35
				12/10/2018	-409908	Transfer	2055471	0.29
				23/11/2018	-254594	Transfer	1800877	0.26
				04/01/2019	-127160	Transfer	1673717	0.24
				18/01/2019	-244010	Transfer	1429707	0.20
				01/02/2019	-214456	Transfer	1215251	0.17
				08/02/2019	-236260	Transfer	978991	0.14
				15/02/2019	-172848	Transfer	806143	0.12
				22/02/2019	-91952	Transfer	714191	0.10
				22/03/2019	-130253	Transfer	583938	0.08
				31/03/2019			583938	0.08
7	Schroder International Selection Fund Emerging Asia*	0	0.00	01/04/2018			0	0.00
				31/08/2018	550285	Transfer	550285	0.08
				07/09/2018	825715	Transfer	1376000	0.20
				21/09/2018	1129000	Transfer	2505000	0.36
				28/09/2018	1282319	Transfer	3787319	0.54
				05/10/2018	717681	Transfer	4505000	0.64
				16/11/2018	1146155	Transfer	5651155	0.81
				30/11/2018	1731386	Transfer	7382541	1.05
				04/01/2019	522611	Transfer	7905152	1.13
				11/01/2019	368192	Transfer	8273344	1.18
				31/03/2019			8273344	1.18
8	Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	7220634	1.03	01/04/2018			7220634	1.03
				13/04/2018	-97808	Transfer	7122826	1.02
				08/06/2018	1743044	Transfer	8865870	1.27
				15/06/2018	429949	Transfer	9295819	1.33
				29/06/2018	68175	Transfer	9363994	1.34
				31/08/2018	75400	Transfer	9439394	1.35
				05/10/2018	71500	Transfer	9510894	1.36
				02/11/2018	368029	Transfer	9878923	1.41
				09/11/2018	280271	Transfer	10159194	1.45
				11/01/2019	-239600	Transfer	9919594	1.42
				22/03/2019	-34300	Transfer	9885294	1.41
				31/03/2019			9885294	1.41
9	City of New York Group Trust*	623549	0.09	01/04/2018			623549	0.09
				18/05/2018	-270064	Transfer	353485	0.05
				22/06/2018	-122262	Transfer	231223	0.03
				06/07/2018	-231223	Transfer	0	0.00
				27/07/2018	397580	Transfer	397580	0.06
				03/08/2018	2867455	Transfer	3265035	0.47
				10/08/2018	644082	Transfer	3909117	0.56
				17/08/2018	292712	Transfer	4201829	0.60
				24/08/2018	62144	Transfer	4263973	0.61
				22/02/2019	2603271	Transfer	6867244	0.98
				31/03/2019			6867244	0.98



Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the Company	Date	Increase/Decrease in share holding		No of Shares	% of total shares of the Company
10	Morgan Stanley India Investment Fund, Inc.#	6248071	0.89	01/04/2018			6248071	0.89
				15/06/2018	-115835	Transfer	6132236	0.88
				13/07/2018	-455580	Transfer	5676656	0.81
				27/07/2018	-362775	Transfer	5313881	0.76
				03/08/2018	-628178	Transfer	4685703	0.67
				10/08/2018	-168951	Transfer	4516752	0.65
				17/08/2018	-32557	Transfer	4484195	0.64
				05/10/2018	-783648	Transfer	3700547	0.53
				28/12/2018	-238194	Transfer	3462353	0.49
				04/01/2019	-64596	Transfer	3397757	0.49
				11/01/2019	-201860	Transfer	3195897	0.46
				18/01/2019	-820695	Transfer	2375202	0.34
				08/02/2019	-526798	Transfer	1848404	0.26
				15/02/2019	-128244	Transfer	1720160	0.25
				01/03/2019	-269714	Transfer	1450446	0.21
				08/03/2019	-88000	Transfer	1362446	0.19
				22/03/2019	-213390	Transfer	1149056	0.16
				31/03/2019			1149056	0.16
11	Fidelity Investment Trust - Fidelity Emerging Market Fund#	6178722	0.88	01/04/2018			6178722	0.88
				18/05/2018	664697	Transfer	6843419	0.98
				06/07/2018	-72658	Transfer	6770761	0.97
				21/09/2018	-115400	Transfer	6655361	0.95
				05/10/2018	324800	Transfer	6980161	1.00
				12/10/2018	379300	Transfer	7359461	1.05
				02/11/2018	37940	Transfer	7397401	1.06
				09/11/2018	-23378	Transfer	7374023	1.05
				16/11/2018	-3115368	Transfer	4258655	0.61
				23/11/2018	-766838	Transfer	3491817	0.50
				30/11/2018	-1683262	Transfer	1808555	0.26
				07/12/2018	-1808555	Transfer	0	0.00
				31/03/2019			0	0.00
12	UTI-MID Cap Fund*	3951867	0.56	01/04/2018			3951867	0.56
				13/04/2018	39200	Transfer	3991067	0.57
				20/04/2018	60080	Transfer	4051147	0.58
				27/04/2018	63883	Transfer	4115030	0.59
				04/05/2018	5692	Transfer	4120722	0.59
				11/05/2018	73337	Transfer	4194059	0.60
				18/05/2018	86122	Transfer	4280181	0.61
				24/08/2018	32114	Transfer	4312295	0.62
				14/09/2018	-47745	Transfer	4264550	0.61
				19/10/2018	72226	Transfer	4336776	0.62
				30/11/2018	433657	Transfer	4770433	0.68
				31/03/2019			4770433	0.68
13	Life Insurance Corporation of India P & GS Fund	4479249	0.64	01/04/2018			4479249	0.64
				06/04/2018	649550	Transfer	5128799	0.73

Sl. no	Name of the Share Holder	Shareholding at the beginning of the Year			Reason	Cumulative Shareholding during the Year		
		No of Shares	% of total shares of the Company	Date		Increase/Decrease in share holding	No of Shares	% of total shares of the Company
				13/04/2018	37929	Transfer	5166728	0.74
				20/04/2018	1134685	Transfer	6301413	0.90
				27/04/2018	491000	Transfer	6792413	0.97
				04/05/2018	398585	Transfer	7190998	1.03
				21/12/2018	253000	Transfer	7443998	1.06
				28/12/2018	251710	Transfer	7695708	1.10
				31/12/2018	100000	Transfer	7795708	1.11
				04/01/2019	50000	Transfer	7845708	1.12
				18/01/2019	200000	Transfer	8045708	1.15
				25/01/2019	41052	Transfer	8086760	1.16
				01/02/2019	341028	Transfer	8427788	1.20
				08/02/2019	35956	Transfer	8463744	1.21
				15/02/2019	431000	Transfer	8894744	1.27
				22/02/2019	198177	Transfer	9092921	1.30
				01/03/2019	274609	Transfer	9367530	1.34
				08/03/2019	184000	Transfer	9551530	1.36
				31/03/2019			9551530	1.36
14	Sundaram Mutual Fund A/C - Sundaram Select Midcap Fund	4385765	0.63	01/04/2018			4385765	0.63
				31/03/2019			4385765	0.63

\*Not in the list of Top 10 shareholders as on 01-04-2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2019.

#ceased to be in the list of Top 10 shareholders as on 31-03-2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2018.

#### (v) Shareholding of Directors and Key Managerial Personnel:

Shri E. S. Ranganathan, Managing Director holds 500 shares in the Company as on March 31, 2019. Except Shri E. S. Ranganathan, none of the Directors and Key Managerial Personnel are holding equity shares in the Company as on March 31, 2019.

## V. Indebtedness

**INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31.03.19

	(Rs. in Crores)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition				
* Reduction				
<b>Net Change</b>	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-



(Rs. in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	-	-	-
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>0.00</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### a. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Shri E. S. Ranganathan	Shri V. Nagarajan **	Shri Rajiv Sikka##	
1.	Gross Salary (Secondment charges paid to promoters including GST)@@	94.41	12.79	80.41	187.61
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission^^ - as % of profit - others, specify	7.5	1.11	6.39	15
5.	Others				
	<b>Total(A)</b>	<b>101.91</b>	<b>13.90</b>	<b>86.80</b>	<b>202.61</b>
	Ceiling as per the Act***				

\*\*Shri V. Nagarajan ceased to be Director (Commercial) w.e.f. May 25, 2018.

##Shri Rajiv Sikka joined as Director (Commercial) w.e.f. May 25, 2018

@@Shri E. S. Ranganathan, Shri V. Nagarajan and Shri Rajiv Sikka get remuneration from their employers i.e. GAIL & BPCL. Your Company has paid the amount including GST to promoters as secondment charges as these Directors are not the employees of the Company.

^^Payable to Parent Organizations

\*\*\*Remuneration is within the ceiling prescribed under Companies Act, 2013

### b. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors								Total Amount (Rs.)
1	Independent Directors	Shri S. S. Rao	Shri Santosh Kumar Bajpai	Prof. V. Ranganathan	Shri Raghu Nayyar	Dr. Sudha Sharma	Dr. A. K. Ambasht	Smt. Saroj Bala	Shri R. S. Sahoo	
	Fee for attending board / committee meetings	5,25,000	3,45,000	2,75,000	6,95,000	6,45,000	80,000	55,000	55,000	26,75,000
	Commission	4,06,849	4,06,849	4,06,849	7,25,342	7,25,342	1,00,685	1,00,685	1,00,685	29,73,286
	Others, please specify	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>9,31,849</b>	<b>7,51,849</b>	<b>6,81,849</b>	<b>14,20,342</b>	<b>13,70,342</b>	<b>1,80,685</b>	<b>1,55,685</b>	<b>1,55,685</b>	<b>56,48,286</b>

S. No.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Shri S. Ramesh	Shri Gajendra Singh	Shri Arun Kumar Singh	Shri Manoj Jain	Shri S. Bairagi	Shri RP Natekar	Smt. Varsha Joshi	
2	Other Non-Executive Directors								
	Fee for attending board/ committee meetings	0	1,15,000	60,000	80,000	2,95,000	190000	30000	7,70,000
	Commission	3,61,644	1,58,219	2,15,753	1,97,260	3,94,521	1,58,219	750000	22,35,616
	Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>3,61,644*</b>	<b>2,73,219*</b>	<b>2,75,753*</b>	<b>2,77,260*</b>	<b>6,89,521*</b>	<b>3,48,219*</b>	<b>7,80,000*</b>	<b>- 30,05,616*</b>
	<b>Total (B)=(1+2)</b>								<b>86,53,902</b>
	Ceiling as per the Act**								

\* Payable to parent organizations.

\*\*Total Managerial Remuneration is within the ceiling prescribed under Companies Act, 2013.

**Note:** Commission to Directors is in proportion to their period of Directorship during the year.

### c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CS	CFO*	CFO**	
		Shri S. K. Jain	Shri Rajesh Agrawal	Shri Rakesh Chawla	
1.	Gross salary	Rs.	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	70,87,596	73,79,800	38,37,114	1,83,04,510
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,764	4,944	-	20,708
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others, specify...	-	-	-	-
5.	Others, please specify – Benefits	1,08,194	0	2,71,569	3,79,763
	<b>Total</b>	<b>72,11,554</b>	<b>73,84,744</b>	<b>41,08,683</b>	<b>1,87,04,981</b>

\*Shri Rajesh Agrawal ceased as CFO w.e.f. August 1, 2018.

\*\*Shri Rakesh Chawla appointed as a CFO w.e.f. August 1, 2018.

### VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.



## Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and outgo

### A. Conservation of Energy

#### (i) Your Company has taken various steps for conservation of energy, which are as under:

1. Installation of APFC (Automatic Power Factor Controller) panels at 18 CNG stations in UP:- Automatic power factor controller has been installed at identified 18 CNG stations with 4 quadrant energy meter, in order to maintain power factor to ~ 0.99.
2. Installation of BLDC ceiling fans: - Conventional ceiling fans have been replaced by Brushless DC motor based ceiling fans, having approx. 67% more efficiency than conventional fans.
3. Installation of LED light fittings at IGL CNG stations: - Proposal for replacement of Conventional light fittings (HPMV / CFL / Fluorescent tube) by energy efficient LED light fittings is under progress at all IGL owned CNG stations.
4. VAM (Vapor Absorption Machine) of IGL Bhawan has been upgraded (with installation of new VAM) which has helped in efficient temperature maintenance inside the building. The OLD VAM was to be run for much more time to get the same amount of cooling inside the building thereby helping in energy savings.
5. Low power consuming Seitz electro valves were installed in 20 Delta dispensers. This has resulted in reducing the running hours of air compressors.

#### (ii) Steps taken by the Company for utilising alternate sources of energy:

Nil

#### (iii) The capital investment on energy conservation equipment:

Rs. 4.22 Crores towards Installation of APFC (Automatic power factor controller) panels, BLDC ceiling fans and LED light fittings at IGL CNG stations

### B. Technology Absorption

- |  |  |
|--|--|
| (i) The efforts made towards technology Absorption;  | <ol style="list-style-type: none"><li>1. Siemens S7-200 model of PLC was upgraded by S7-1200 PLC in 10 nos. of Delta motor driven compressors installed at CNG stations.</li><li>2. LoRa based communication technology is absorbed for Prepaid AMR system.</li><li>3. AMR implemented to Customers having gas consumption more than 10 SCM/day.</li><li>4. Pre-paid gas metering system implemented for all domestic customers in Rewari, geographical area.</li></ol>  |
| (ii) the benefits derived like product improvement, Cost reduction, product development on import substitution | <ol style="list-style-type: none"><li>1. (i) New model is having high processing speed &amp; Automation/ SCADA compatibility.<br/>(ii) Breakdown hours reduced &amp; availability of machines is increased.<br/>(iii) New PLC is 70% cheaper than old model.</li><li>2. <b>LoRa technology offers several advantages i.e.</b><ul style="list-style-type: none"><li>• The LoRa physical layer utilizes ISM bands 868 and 915 MHz — frequencies that are free to use anywhere in the world.</li><li>• LoRa devices consume very little power making it ideal for battery-powered devices</li><li>• It can transmit and receive data for up to 15 km in suburban areas and 5 km in urban areas.</li></ul></li></ol> |

- The lower power consumption is made possible through ADR (adaptive data rate) that varies output data rate depending on payload coupled with chirp spread spectrum technology that effectively provides processing gain. In addition, the modulation technique, similar to frequency shift keying, allows the use of low cost but high power amplifiers.
- Another advantage is its high network capacity. In LoRaWAN, a single gateway can accommodate 1000 end-node devices. And since LoRaWAN is now standardized, the technology is globally interoperable.

**3. Benefits of Automated Reading System are:**

- Very precise monitoring by the event-based wireless communication.
- Timely reading collection & Billing.
- Elimination of human error in meter reading.
- Up-to-date consumption data for the detailed and exact billing.

**4. Benefits of Pre-paid meters with Automated Reading System are:**

- No manual reading collection.
- Optimized capacity planning.
- Increased and balanced revenue stream.
- SMS/ email alerts in case of any abnormality.
- Improves cash flow and reduces cost to the utility.
- Remote disconnect for non-payment.
- No need to produce a bill since consumption is available to customer via sms on every recharge.
- Reduction in back office staff.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), - i. The details of technology imported; ii. Year of import; iii. Whether the technology been fully absorbed; iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.
(iv) The expenditure incurred on Research and Development	No direct expenditure

### C. Foreign Exchange Earning and Outgo

Total foreign exchanged used & earned:

During the year under review, the foreign exchange earnings and outgo are given below:

	(Rs. in Crores)
Foreign Exchange Earned	0.01
Foreign Exchange Used	7.52





# Report on Corporate Governance

## I. Company's Philosophy on Corporate Governance

The Company's philosophy on the Code of Corporate Governance is as follows:

- To ensure transparency, high degree of disclosure and adequate control system;
- To ensure that the decision making process is systematic and rational;
- To ensure full commitment of the Management to enhance stakeholders' value;
- To ensure that the employees of the Company subscribe to the corporate values and apply them in their conduct.

## II. Board of Directors

### Composition:

As on March 31, 2019, the Board of the Company consists of 8 (Eight) Directors comprising 2 (two) Executive Directors namely Managing Director and Director (Commercial) and 6 (six) Non-Executive Directors.

The composition and category of Directors alongwith other Directorships or Memberships in Board Committees as on March 31, 2019:

Name of Directors	Category	Directorships in other Public Limited Companies*	List of Directorship held in Other Listed Companies and category of Directorship	Membership in Committees of Board of other Companies†	Chairmanship in Committees of Board of other Companies†
Shri Gajendra Singh (Chairman)	Non-Executive	3	Gail (India) Limited - Director	1	1
Shri E. S. Ranganathan (Managing Director)	Executive	1	Nil	Nil	Nil
Shri Rajiv Sikka (Director (Commercial))	Executive	1	Nil	1	Nil
Shri R. P. Natekar	Non-Executive	2	Nil	Nil	Nil
Smt. Varsha Joshi	Non-Executive	Nil	Nil	Nil	Nil
Smt. Saroj Bala	Non-Executive, Independent	1	Nil	Nil	Nil
Dr. A. K. Ambasht	Non-Executive, Independent	Nil	Nil	Nil	Nil
Shri R. S. Sahoo	Non-Executive, Independent	2	Nil	Nil	2

\*This does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

†In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations"), Memberships/chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public limited companies have been considered.

Shri E. S. Ranganathan holds 500 shares in the Company. There are no relationships between Directors inter-se.

### Attendance of Directors at Board Meetings and Last Annual General Meeting:

During the financial year ended March 31, 2019, ten Board Meetings were held on May 23, 2018, July 5, 2018, July 7, 2018, August 10, 2018, October 6, 2018, November 5, 2018, January 7, 2019, January 17, 2019, February 6, 2019 and March 27, 2019. The last Annual General Meeting was held on September 26, 2018.

The attendance of each Director at Board Meetings and the last Annual General Meeting was as under:

Name of Directors	No. of Meetings Attended	Attendance* (% thereof)	Attendance at Last AGM
Shri S. Ramesh†	Nil	0	NA
Shri Arun Kumar Singh‡	2	67	NA
Shri Gajendra Singh(Chairman)§	3	100	NA
Shri E. S. Ranganathan (Managing Director)	10	100	Present
Shri V. Nagarajan Director (Commercial)**	1	100	NA
Shri Rajiv Sikka Director (Commercial)††	9	100	Present
Shri Manoj Jain‡‡	1	50	NA
Shri S Bairagi§§	4	80	Present
Shri R P Natekar***	3	100	NA
Smt. Varsha Joshi	1	10	Absent
Shri S. S. Rao†††	5	100	Present
Prof. V. Ranganathan†††	5	100	Present
Shri Santosh Kumar Bajpai†††	4	80	Present
Dr. Sudha Sharma‡‡‡	9	100	Present
Shri Raghu Nayyar‡‡‡	9	100	Present
Smt. Saroj Bala§§§	1	100	NA
Dr. A. K. Ambasht§§§	1	100	NA
Shri R. S. Sahoo§§§	1	100	NA

\*Percentage computed by considering the meetings attended with the total meetings held during their tenure.

†Shri S. Ramesh ceased as Director & Chairman w.e.f. September 24, 2018.

‡Shri Arun Kumar Singh appointed as Additional Director & Chairman w.e.f. October 1, 2018 and ceased as Additional Director & Chairman w.e.f. January 14, 2019.

§Sh. Gajendra Singh appointed as Additional Director & Chairman w.e.f. January 14, 2019.

\*\*Shri V. Nagarajan ceased as Director (Commercial) w.e.f. May 25, 2018.

††Sh. Rajiv Sikka appointed as Director (Commercial) w.e.f. May 25, 2018.

‡‡Shri Manoj Jain ceased as Director w.e.f. July 6, 2018.

§§Shri S. Bairagi appointed as Additional Director w.e.f. July 6, 2018 and ceased as Director w.e.f. January 14, 2019.

\*\*\*Sh. R.P. Natekar appointed as Additional Director w.e.f. January 14, 2019.

†††Shri S. S. Rao, Prof. V. Ranganathan & Shri Santosh Kumar Bajpai ceased to be Director w.e.f. October 16, 2018.

‡‡‡Dr. Sudha Sharma & Shri Raghu Nayyar ceased to be Director w.e.f. March 20, 2019.

§§§Shri R. S. Sahoo, Smt. Saroj Bala & Dr. A. K. Ambasht appointed as Additional Directors w.e.f. February 11, 2019.

Brief details of familiarization programmes of Independent Directors are uploaded on the website of the Company – [https://iglonline.net/english/5000\\_media/Investor\\_Relations/Familiarization-Programmes-for-Independent-Directors.pdf](https://iglonline.net/english/5000_media/Investor_Relations/Familiarization-Programmes-for-Independent-Directors.pdf)

**The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

- 1. Financial:** Management of the finance function, understanding & review of financial statements, financial controls, risk management, acquisitions, etc..
- 2. Strategy and Planning:** Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
- 3. Sales and marketing:** Experience in developing strategies to grow sales, build brand awareness, and enhance enterprise reputation.
- 4. Project Management:** Execution of projects in timely manner in existing & new geographical areas.
- 5. Governance:** Experience in developing governance practices, serving the best interests of all stakeholders, building long-term effective stakeholder engagements.



### Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down of the Companies Act, 2013 and the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in the Companies Act, 2013 and Listing Regulations.

### Certification from Company Secretary in Practice

M/s V. K. Sharma & Co., Practicing Company Secretaries, Noida, has issued a certificate pursuant to clause 10 of Part C of Schedule V of Listing Regulations.

### Code of Conduct

The Board of Directors has laid down a Code of Conduct, which is applicable to all Board Members and Senior Management of the Company. The Code has also been posted on the website of the Company.

All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct. The declaration signed by the Managing Director affirming compliance to the Code by the Board Members and the Senior Management forms part of this Report.

## III. Audit Committee

### Composition:

The Audit Committee comprises of three Directors of which two are Non-Executive Independent Directors. The Chairman of the Committee is a Non-Executive Independent Director. All Members of the Committee have good financial and accounting knowledge. The Managing Director, Director (Commercial) and Auditors are invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee.

The minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

The constitution of the Audit Committee as on March 31, 2019:-

1) Shri R. S. Sahoo*	Chairman, Independent, Non-Executive.
2) Dr. A. K. Ambasht†	Member, Independent, Non-Executive.
3) Shri R. P. Natekar‡	Member, Non-Executive.

\*Shri R. S. Sahoo appointed as a Chairman and Member of the Audit Committee w.e.f. March 28, 2019.

†Dr. A. K. Ambasht appointed as Member of the Audit Committee w.e.f. March 28, 2019.

‡Sh. R. P. Natekar appointed as Member of Audit Committee w.e.f. January 14, 2019.

### Terms of Reference:

The Term of reference of Audit Committee for the financial year ended March 31, 2019 includes overseeing the audit functions, review of Company's financial performance, review critical findings of Internal Audit, compliance with the Accounting Standards, approval or any subsequent modification of transactions of the Company with the related parties, evaluation of internal financial controls and risk management systems & all other matters specified under Listing Regulations and in Section 177 of the Companies Act, 2013.

### Meetings and Attendance:

During the financial year ended March 31, 2019, eight Audit Committee meetings were held on May 23, 2018, July 5, 2018, July 7, 2018, August 10, 2018, October 6, 2018, November 5, 2018, January 7, 2019 and February 6, 2019.

The attendance of the Members of Audit Committee Meetings was as under: -

Name of Members	No. of Meetings Attended
Dr. Sudha Sharma*	8
Shri S. S. Raot	5

Name of Members	No. of Meetings Attended
Prof. V. Ranganathan‡	5
Shri Manoj Jain§	1
Shri S. Bairagi**	4
Shri R. P. Natekar††	0
Shri R. S. Sahoo‡‡	NA
Dr. A. K. Ambasht§§	NA

\*Dr. Sudha Sharma, a Member of Audit Committee was co-opted as a Chairperson of the Committee w.e.f. November 1, 2018 and ceased to be a Chairperson & Member of Audit Committee w.e.f. March 20, 2019.

†Shri S. S. Rao ceased to be a chairman & Member of Audit Committee w.e.f. October 16, 2018.

‡Prof V. Ranganathan ceased to be a Member of Audit Committee w.e.f. October 16, 2018.

§Shri Manoj Jain ceased to be a Member of Audit Committee w.e.f. July 6, 2018.

\*\*Shri S Bairagi appointed as a Member of Committee w.e.f. July 6, 2018 and ceased to be a Member of Audit Committee w.e.f. January 14, 2019.

††Sh. R. P. Natekar appointed as Member of Audit Committee w.e.f. January 14, 2019.

‡‡Shri R. S. Sahoo appointed as a Chairman & Member of the Audit Committee w.e.f. March 28, 2019.

§§Dr. A. K. Ambasht appointed as Member of the Audit Committee w.e.f. March 28, 2019.

## IV Nomination and Remuneration Committee

### Composition

The Nomination and Remuneration Committee comprises of four Directors. The Chairman of the Committee is an Independent Director. The Company Secretary acts as a Secretary to the Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2019: -

1. Dr. A. K. Ambasht*	Chairman, Independent, Non-Executive.
2. Shri R. S. Sahoo†	Member, Independent, Non-Executive
3. Shri Gajendra Singh‡	Member, Non-Executive.
4. Shri R P Natekar§	Member, Non-Executive

\*Dr. A. K. Ambasht appointed as a Chairman & Member of the Committee w.e.f. March 28, 2019.

†Shri R. S. Sahoo appointed as a Member of the Committee w.e.f. March 28, 2019.

‡Shri Gajendra Singh appointed as a Member of the Committee w.e.f. January 14, 2019.

§Shri R P Natekar appointed as a Member of the Committee w.e.f. January 14, 2019.

The minutes of the Nomination and Remuneration Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

### Meetings and Attendance:

During the financial year ended March 31, 2019, six Nomination and Remuneration Committee Meetings were held on May 15, 2018, June 22, 2018, September 26, 2018, October 6, 2018, December 11, 2018 and January 17, 2019.

The attendance of the Members of Nomination and Remuneration Committee Meetings was as under: -

Name of Members	No. of Meetings Attended
Dr. Sudha Sharma*	6
Shri Raghu Nayyar†	6
Shri Manoj Jain‡	1
Shri S. Bairagi§	3
Shri Gajendra Singh**	1
Shri R. P. Natekar††	1



Name of Members	No. of Meetings Attended
Dr. A. K. Ambasht††	NA
Shri R. S. Sahoo§§	NA

\*Dr. Sudha Sharma ceased to be a Chairman & Member of the Committee w.e.f. March 20, 2019.

†Shri Raghu Nayyar ceased to be Member of the Committee w.e.f. March 20, 2019.

‡Shri Manoj Jain ceased to be a Member of the Committee w.e.f. July 6, 2019.

§Shri S. Bairagi appointed as a Member of the Committee w.e.f. July 6, 2019 and ceased to be Member w.e.f. January 14, 2019.

\*\*Shri Gajendra Singh appointed as a Member of the Committee w.e.f. January 14, 2019.

††Shri R P Natekar appointed as a Member of the Committee w.e.f. January 14, 2019.

‡‡Dr. A. K. Ambasht appointed as a Chairman & Member of the Committee w.e.f. March 28, 2019.

§§Shri R. S. Sahoo appointed as a Member of the Committee w.e.f. March 28, 2019.

### Terms of Reference

The term of reference of the Nomination and Remuneration Committee includes determining the criteria of appointment to the Board and to identify candidates for appointment to the Board of Directors and senior management and evaluate their performance.

The Nomination & Remuneration Committee has laid down criteria such as attendance and participation in the meetings, adherence to ethical standards, integrity, code of conduct, interpersonal relations with other Directors, safeguard of confidential information of the Company, observing corporate governance standards, safeguard the interest of all stakeholders in the decision making etc. to carry out performance evaluation of every Director including Independent Directors.

### Remuneration / Sitting Fees Paid to Directors

#### a. Executive Directors:

The remuneration paid to the Executive Directors (i.e. Managing Director & Director (Commercial)) is disclosed in the Directors' Report of the Company.

#### b. Non-Executive Directors:

Total commission on profit of Rs. 67.08 Lakhs was payable to non-executive Directors / their parent organizations for the financial year 2018-19.

Non-Executive Directors were paid sitting fees of Rs. 30,000/- and Rs. 25,000/- for attending each Board meeting & Committee meeting respectively. Total sitting fees paid during the financial year under review was Rs. 34.45 Lakhs.

The Non-Executive Directors do not hold any shares in the Company.

### Remuneration Policy

The Managing Director and Director (Commercial) are nominated by GAIL (India) Limited (GAIL) and Bharat Petroleum Corporation Limited (BPCL) respectively and the terms and conditions of their appointment including remuneration are advised by their parent organizations.

Board of Directors of the Company approved the new remuneration policy effective from April 1, 2018 after considering the recommendations of Nomination & Remuneration Committee.

## V. Share Transfer & Stakeholders Relationship Committee:

### Composition:

The Share Transfer & Stakeholders' Relationship Committee constituted by the Board comprises of three members with an Independent Non-Executive Director as Chairperson of the Committee.

The constitution of the Share Transfer & Stakeholders Relationship Committee as on March 31, 2019:

1) Smt. Saroj Bala*	Chairperson, Independent, Non-Executive
2) Shri E. S. Ranganathan	Member, Executive
3) Shri Rajiv Sikka	Member, Executive

\*Smt. Saroj Bala appointed as Chairperson of the Committee w.e.f. March 28, 2019.

The minutes of the Share Transfer & Stakeholder Relationship Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

#### Meetings and Attendance:

During the financial year ended March 31, 2019, three Share Transfer & Stakeholders Relationship Committee Meetings were held on April 26, 2018, September 26, 2018 and March 14, 2019. The attendance of the Members (as on March 31, 2019) of Share Transfer & Stakeholders Relationship Committee Meetings was as under: -

Name of Members	No. of Meetings Attended
Shri Raghu Nayyar*	3
Smt. Saroj Bala†	NA
Shri E. S. Ranganathan	3
Shri Rajiv Sikka	3

\*Shri Raghu Nayyar ceased to be a Chairman & Member of the Share Transfer & Stakeholders Relationship Committee w.e.f. March 20, 2019.

†Smt. Saroj Bala appointed as Chairperson of the Committee w.e.f. March 28, 2019.

#### Scope & Functions of Share Transfer & Stakeholders Relationship Committee:

The scope & functions of the Committee inter alia include approval of transfer and transmission of shares and other matters like consolidation/splitting of certificates, issue of duplicate share certificates, dematerialization / re-materialisation of shares in stipulated period of time. The Committee also considers and resolves the grievances of the security holders including complaints related to transfer of shares / non receipt of annual reports, dividends and ensures cordial investor relations.

#### Compliance Officer:

Shri S. K. Jain, Company Secretary is the Compliance Officer.

#### Details of Shareholders' Complaints Received & Replied to the Satisfaction of Shareholders:-

The Company received 31 complaints during the year, which were duly attended & replied. There was no complaint pending as on March 31, 2019.

## VI. General Body Meetings

The location, time and details of Special Resolutions passed in the last three Annual General Meetings were as under:

Meeting	Date	Time	Venue	Detail of Special Resolutions Passed
17th AGM	September 29, 2016	11:30 A.M.	Manekshaw Centre, New Delhi	<ol style="list-style-type: none"> <li>Authority to the Board of Directors u/s 180(1)(c) of the Companies Act, 2013 to borrow money(s) for business purposes of the Company for an amount up to Rs. 4000 Crores.</li> <li>Authority to the Board of Directors u/s 180(1)(a) of the Companies Act, 2013 to mortgage and/or create charge on assets of the Company for an amount up to Rs. 4000 Crores.</li> </ol>



Meeting	Date	Time	Venue	Detail of Special Resolutions Passed
18th AGM	September 28, 2017	11:30 A.M.	Manekshaw Centre, New Delhi	1. Approval of amendment of Clause V of Memorandum of Association of the Company. 2. Approval of amendment of Article 3 of Articles of Association of the Company.
19th AGM	September 26, 2018	11:30 A.M.	Manekshaw Centre, New Delhi	1. Re-appointment of Shri Raghu Nayyar as an Independent Director of the Company. 2. Re-appointment of Dr. Sudha Sharma as an Independent Director of the Company.

During the year under review, there have been no resolutions passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, no resolution is proposed to be passed by postal ballot.

## VII. Disclosures

### (a) Related Party Transactions

The Company has entered into transactions with the Promoters, Directors or the Management, but they do not have potential conflict with the interests of the Company at large. Transactions with related parties are being disclosed separately in the Annual Report.

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions and the same has been disclosed on the website of the Company at web link [http://www.iglonline.net/english/5000\\_media/About\\_us/Related-Party-Policy.pdf](http://www.iglonline.net/english/5000_media/About_us/Related-Party-Policy.pdf)

### (b) Compliances by the Company

BSE Ltd. and National Stock Exchange imposed the fine of Rs. 1,30,400 each (plus GST @ 18%) on the Company for the delay of 26 days in appointment of Independent Directors as per Regulation 17(1) of the Listing Regulations.

Other than the above mentioned fine, during the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any statutory authority for non-compliance of any matter related to capital markets.

### (c) Whistle Blower Policy/Vigil Mechanism Policy

The Company has a Whistle Blower Policy for employees, Directors, vendors and suppliers of the Company to come forward and raise their genuine concerns without any fear of retaliation and victimization. The Company has appointed an independent third party as service provider to manage the operations of whistle-blower hotline. The complainant may also reach out to Chairman of the Audit Committee directly in appropriate or exceptional circumstances by submitting a written complaint. No personnel was denied access to the Audit Committee.

The Whistle Blower policy is available on website of the Company [www.iglonline.net](http://www.iglonline.net).

Besides Whistle Blower Policy, the Company also has separate Vigil Mechanism for the stakeholders of the Company.

Chief Ethics Officer has been appointed for looking complaints under Vigil Mechanism Policy.

### (d) Details of total fees paid to statutory auditors

The details of total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as under :

Type of service	2018-19(in Rs. Lakhs)
<b>Audit Fees</b>	50.80
<b>Others(Reimbursement of expenses)</b>	3.00
<b>Total</b>	<b>53.80</b>

**(e) Complaints pertaining to sexual harassment**

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the Business Responsibility Report of this Annual report.

**(f) Compliance with the corporate governance codes**

The Company has complied with the requirements stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, 2015 except Regulation 17(1) pertaining to composition of Board i.e. less than 50% Independent Director on Board of the Company for 26 days.

**VIII. Means of Communication**

The quarterly and half-yearly results are forthwith communicated to the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE), where the shares of the Company are listed, as soon as these are approved and taken on record by the Board of Directors of the Company. The results are published in leading newspapers, such as Business Standard/Financial Express in English, Jansatta/Hindustan in Hindi, alongwith the official news releases. The results and presentations made to institutional investors/analyst are available on the Company's website under 'Investor Relations'.

For investors, the Company has created a separate e-mail ID i.e. [investors@igl.co.in](mailto:investors@igl.co.in).

Management Discussion & Analysis is separately annexed and is forming a part of Annual Report.

**IX. General Shareholders Information****(a) Annual General Meeting:**

The 20th Annual General Meeting of the Company is scheduled to be held on: -

Date and Time. : September 24, 2019 at 11:30 A.M.

Venue : Air force Auditorium, Subroto Park, New Delhi - 110 021

**(b) Financial Year : April 1 to March 31****(c) Financial Calendar (Tentative):**

The Quarterly results will be taken on record by the Board of Directors as per the following schedule:

Quarter ending June 30, 2019	: On or before August 14, 2019
Quarter ending September 30, 2019	: On or before November 14, 2019
Quarter ending December 31, 2019	: On or before February 14, 2020
Quarter/Year ending March 31, 2020	: On or before May 30, 2020

**(d) Date of Book Closure for Dividend : September 14, 2019 to September 24, 2019 (both days inclusive)****(e) Dividend Payment Date : On or after October 1, 2019****(f) Listing on Stock Exchanges :**

Name of Stock Exchanges	Address	Stock Code
BSE Ltd. (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra.	532514
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra.	IGL

The Company has paid the listing fees to BSE and NSE for the financial year 2018-19 within due date.





(g) ISIN Number : INE203G01027

(h) Market Price Data & Share price performance:

**At BSE**

MONTH	IGL		BSE (SENSEX)	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
Apr-18	309	273	35213	32973
May-18	289	245	35994	34303
Jun-18	289	240	35877	34785
Jul-18	316	250	37645	35107
Aug-18	320	274	38990	37129
Sep-18	298	232	38934	35986
Oct-18	270	215	36617	33292
Nov-18	297	259	36389	34303
Dec-18	269	242	36555	34426
Jan-19	289	265	36701	35376
Feb-19	311	258	37172	35287
Mar-19	314	288	38749	35927

**At National Stock Exchange (NSE)**

MONTH	IGL		NSE (NIFTY)	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
Apr-18	307	273	10759	10111
May-18	288	244	10929	10418
Jun-18	288	241	10893	10551
Jul-18	316	250	11366	10605
Aug-18	321	274	11760	11235
Sep-18	298	231	11752	10850
Oct-18	269	215	11036	10005
Nov-18	294	259	10922	10342
Dec-18	268	241	10985	10334
Jan-19	289	265	10987	10584
Feb-19	311	258	11118	10586
Mar-19	314	287	11630	10817

(i) Registrar and Share Transfer Agent:

The Company has appointed M/s Karvy Fintech Private Limited, Hyderabad as its Registrar and Share Transfer Agent, to whom communications regarding change of address, change of mandate, split/consolidation/transfer of shares etc. can be addressed. The address of the Registrar and Share Transfer Agent is as under: -

**Karvy Fintech Private Limited, Unit- Indraprastha Gas Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032.**

Tel. No's : 040-67162222  
 Fax No's : 040-23001153  
 Toll Free no. : 1800-345-4001  
 E-Mail Address : einward.ris@karvy.com  
 Website : www.karvyfintech.com

**(j) Share Transfer System:**

The shares of the Company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of 15 days from the date of receipt of request subject to documents being found valid and complete in all respects.

**(k) Distribution of shareholding as on March 31, 2019:**

S. No.	Category Amount (Rs.)		No. of Shareholders	% of Shareholders	Amount (Rs.)	% of Amount
	From	To				
1	1	5000	105561	98.03%	5,12,76,052	3.66%
2	5001	10000	1080	1.00%	82,45,844	0.59%
3	10001	20000	432	0.40%	63,39,960	0.45%
4	20001	30000	135	0.13%	33,47,096	0.24%
5	30001	40000	66	0.06%	23,62,380	0.17%
6	40001	50000	47	0.04%	21,36,652	0.15%
7	50001	100000	88	0.08%	62,82,886	0.45%
8	100001 & ABOVE		279	0.26%	1,32,00,10,730	94.29%
<b>Total</b>			<b>1,07,688</b>	<b>100%</b>	<b>1,40,00,01,600</b>	<b>100%</b>

**(l) Categories of Shareholding as on March 31, 2019:**

S. No.	Category	No. of Shareholders	Total no. of Shares Held	% to Share Capital
<b>A</b>	<b>Promoters Holding</b>			
	- Indian Promoters	2	31,50,00,400	45.00%
<b>B</b>	<b>Non Promoters Holding</b>			
	<b>Institutions</b>			
	- Mutual Funds	28	5,49,58,479	7.85%
	- Alternate Investment Fund	0	0	0.00%
	- Financial Institutions/ Banks	8	79,61,072	1.14%
	- State Govt.	1	3,50,00,000	5.00%
	- Insurance Companies	6	6,32,30,216	9.03%
	- Foreign Portfolio/Institutional Investors	248	14,75,86,967	21.08%
	- Any Other : Foreign Nationals	1	1,250	0.00%
	<b>Non- Institutions</b>			
	- Bodies Corporate	712	3,35,13,718	4.79%
	- Individuals	104518	3,92,54,795	5.61%
	- <b>Any Other :</b>			
	(i) Non-resident Indians	1988	15,74,656	0.22%
	(ii) Trusts	14	1,94,395	0.03%
	(iii) Clearing Members	148	15,98,531	0.23%
	(iv) NBFCs registered with RBI	12	44,904	0.01%
	(v) IEPF	1	81,335	0.01%
	(vi) Qualified Institutional Buyer	1	82	0.00%
<b>TOTAL</b>		<b>107688</b>	<b>70,00,00,800</b>	<b>100%</b>



**(m) Dematerialisation of Shares and Liquidity: -**

The shares of the Company are compulsorily traded in dematerialized form, 94.99% of equity shares have been dematerialized as on March 31, 2019.

The equity shares of the Company are actively traded at BSE & NSE.

**(n) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:**

The Company had not issued any GDRs/ADRs/Warrants etc.

**(o) Address for Correspondence: -**

The Company Secretary, Indraprastha Gas Limited, IGL Bhawan, Plot No.4, Community Centre, Sector-9, R.K. Puram, New Delhi-110022.

Tel No's : 011-46074607  
Fax No : 011-26171863  
E-Mail Ids : skjain@igl.co.in, investors@igl.co.in

**(p) Plant Locations: -**

The Company has 500 CNG stations as on March 31, 2019 spread all around the National Capital Territory of Delhi and in National Capital Region.

**(q) Credit ratings**

The Company has obtained rating from ICRA during the year ended March 31, 2019.

Rating Agency	Rating
ICRA	AAA (Non-fund based limit- long term)
ICRA	A1+ (Short Term)

**Non-Mandatory Requirements**

**1. Chairman of the Board**

The Company has a Non-Executive Chairman and it bears the expenses, if any, incurred by him while performing duties for the Company.

**2. Shareholders' Right**

As the Company's half-yearly results are published in English newspapers having circulation all over India and in a Hindi newspaper widely circulated in New Delhi, the same are not sent to each household of shareholders.

Quarterly/Half yearly financial performance of the Company, are displayed on the website of the Company.

# Declaration

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2019.

Place: New Delhi.  
Date: August 14, 2019

Sd/-  
(E. S. Ranganathan)  
Managing Director

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**INDRAPRASTHA GAS LIMITED**  
IGL BHAWAN, PLOT NO.4, COMMUNITY CENTRE SECTOR-9,  
R. K. PURAM NEW DELHI DL 110022

We, **V. K. Sharma & Co. Company Secretaries** have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDRAPRASTHA GAS LIMITED** having **CIN L23201DL1998PLC097614** and having registered office at **IGL Bhawan, Plot No. 4, Community Centre Sector-9, R. K. Puram New Delhi - 110022** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except that Ms. Varsha Joshi, the director of the Company as on 31 March 2019, has not provided a written representation as to whether any Company in which she is a director as on 31 March 2019, had not defaulted in terms of sub-section (2) of the section 164 of the Act. In the absence of this representation, we are unable to comment whether she is disqualified from being appointed as a director under sub-section (2) of section 164 of the Act. However, she has vacated office as a director of the Company with effect from 23 May 2019.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri Gajendra Singh	03290248	14/01/2019
2.	Shri Ranganathan Elavathur Subramania	07417640	01/06/2016
3.	Shri Rajiv Sikka	06819112	25/05/2018
4.	Shri Rajendra Natekar Pushparaj	07858989	14/01/2019
5.	Smt. Varsha Joshi	07056514	01/06/2017
6.	Smt. Saroj Bala	07854580	11/02/2019
7.	Dr. Akhilesh Kumar Ambasht	08339038	11/02/2019
8.	Shri Rajib Sekhar Sahoo	02708503	11/02/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V.K. Sharma & Co**  
Company Secretary

Sd/-  
**(V. K Sharma )**  
FCS NO.: 3440  
C P NO. :2019

Place: Noida  
Date: August 14, 2019



# Auditors' Certificate on Corporate Governance

To the Members of  
**INDRAPRASTHA GAS LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Indraprastha Gas Limited ('the Company'), for the year ended 31 March, 2019 as stipulated in the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Schedule V to the Listing Regulations.
2. The compliance of the conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations except that the appointment of requisite number of independent directors was made 26 days after the mandatory period of three months as permitted under the Regulations.
4. We further state that the compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management conducted the affairs of the Company.

**For V.K. Sharma & Co**  
Company Secretary

Place: Noida  
Date: August 14, 2019

Sd/-  
**(V. K Sharma )**  
FCS NO.: 3440  
C P NO. :2019

# Management Discussion and Analysis

## Company Overview

Indraprastha Gas Limited (Company) is a joint venture promoted by GAIL (India) Limited and Bharat Petroleum Corporation Limited (BPCL). Government of NCT of Delhi is also a stakeholder with 5% equity. The Company is in City Gas Distribution (CGD) business supplying natural gas to transport, domestic, commercial and industrial consumers. The operations of IGL is spread over NCT of Delhi, Noida, Greater Noida, Ghaziabad, Gurugram, Meerut (except area already authorised), Shamli, Muzaffarnagar, Karnal and Rewari. The Company has received authorisation from PNGRB to set up CGD network in the geographical areas of Kanpur (except areas already authorized), Hamirpur & Fatehpur districts, Kaithal district and Ajmer, Pali & Rajsamand districts.

The Company has two associates which also operates as CGD Companies. Central UP Gas Limited (CUGL), caters to the cities of Kanpur, Bareilly, Unnao and Jhansi in Uttar Pradesh and Maharashtra Natural Gas Limited (MNGL), caters to the city of Pune and nearby areas of Pimpri, Chinchwad, Chakan, Talegaon and Hinjewadi in the State of Maharashtra.

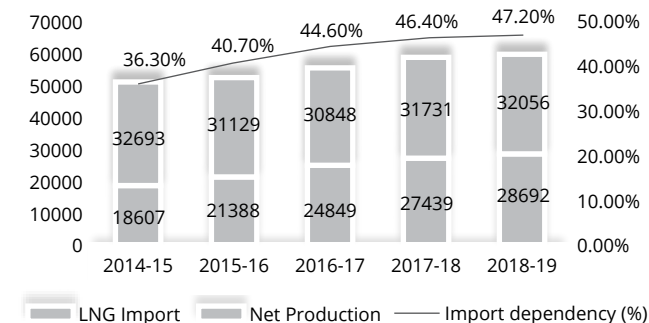
With a modest beginning in the year 1998, the Company has become a leading CGD Company of the country today.

## Indian Natural Gas Scenario

India is one of the largest natural gas consumer in the world and also one of the fastest growing energy consumer. However, share of natural gas constitutes around 6% in the country primary energy mix as against 24% in the world. Government has been taking various steps to increase share of natural gas in primary energy mix to 15% in the coming years. In this regard, thrust has been given to increase domestic gas production, encourage import of Liquefied Natural Gas (LNG) and augment LNG import capacity, completion of national gas grid, faster roll out of city gas distribution network across the country, etc.

The domestic natural gas net production showed a growth of 1.02% from 31,731 mmscm in FY2017-18 to 32,056 mmscm in FY2018-19. Total import of LNG during FY 2018-19 increased by 4.56% to 28692 mmscm from 27,439 mmscm in the previous year. The share of import of LNG has been showing an upward trend over the years and constitutes almost half of the total consumption of gas in the country.

## Total consumption of natural gas in India (in mmscm)



The major sectors that contribute towards growth of natural gas are power, fertilizers, steel, petrochemical and CGD industry.

Natural gas industry in India is likely to grow faster in the coming years due to push given by government to make India, a gas based economy.

## City Gas Distribution Sector in India

City Gas Distribution (CGD) is emerging as one of the fastest growing sector in India. Government of India has given thrust to this sector by pushing expansion of CGD network across the country. The financial year 2018-19 laid the strong foundation for future expansion of CGD sector. During this year, PNGRB invited bids in its 9th & 10th round for setting up CGD network in various parts of the country. In 10th round of bidding, PNGRB covered 50 geographical areas spread over in 14 states and 124 districts. It would increase coverage of CGD cumulatively to 70% of the country's total population and 50% of country's area.

The total investment for setting up CGD networks under 9th and 10th bidding rounds is expected to be more than Rs. 1,00,000 Crores in the next 8 years. These CGD bidding rounds will create employment generation potential for around 3 lacs person in skilled, semi-skilled and non-skilled category.

The government has also planned to connect 1 Crore households with PNG supply for cooking purpose by 2020.

In order to give boost to the CGD sector, the government has taken many steps such as:

- Meeting the entire requirement of gas for transport and PNG domestic households of CGD companies in the country.
- According the status of public utility to CGD sector.
- Issuing guidelines for allowing the development of PNG network into defence establishment across the country.



- iv. Advising state governments to standardise the road restoration/permission charges and keeping provisions of land for CNG stations in their master plans.

The widespread coverage of CGD network across the country and government initiative to boost this sector would bring a number of opportunities for CGD companies in the country.

Your Company being a leading and premier CGD Company in the market is fully geared to leverage its execution capabilities and expertise for future growth.

## Performance Analysis

### i. Financial Performance

IGL witnessed the following financial growth on standalone basis during the year under review:

- Gross turnover increased from Rs. 4993.78 Crores in 2017-18 to Rs. 6336.66 Crores in 2018-19.
- Profit after tax (PAT) increased to Rs. 786.67 Crores in 2018-19 from Rs. 670.77 Crores in 2017-18.
- Earnings per share of the Company showed a growth rate of 17.33% from Rs. 9.58 in FY 2017-18 to Rs. 11.24 in FY 2018-19.
- Net worth of the Company as at 31st March 2019 was Rs. 4129.85 Crores as compared to Rs. 3512.9 Crores as at 31st March 2018.
- As on 31st March 2019, IGL is a zero debt Company.

### ii. Ratio Analysis

S. No.	Particulars	For the Year 31 March 2019	For the Year 31 March 2018
1.	Debtors Turnover Ratio	25.65	21.39
2.	Inventory Turnover Ratio	992.31	847.78
3.	Current Ratio	1.46	1.52
4.	Operating Profit Margin %	18.36%	20.34%
5.	Net Profit Margin %	13.71%	14.67%
6.	Return on Net Worth %	19.05%	19.09%

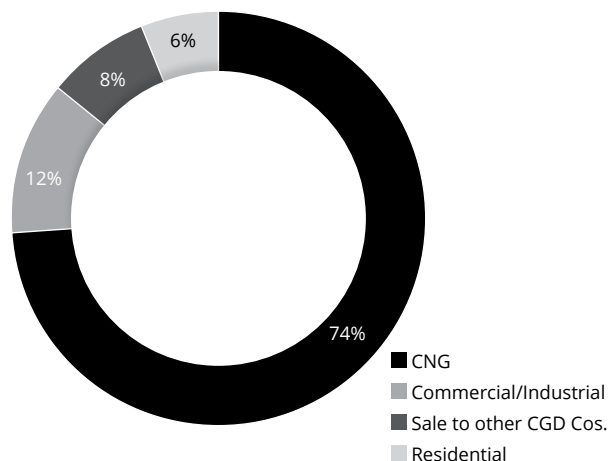
### iii. Segment Wise Performance

The Company has its presence in following segments:

- Compressed Natural Gas (CNG) - IGL's majority portion of the revenue accrues from sales of CNG amounting to Rs. 4761 Crores in FY 2018-19, accelerating at growth rate of 24% over previous year. The Company has 500 stations through which it provided gas to 10.7 lakh vehicles, with an average sale of 31.34 lakh kg per day in 2018-19.

- Piped Natural Gas (PNG) - The total sales of PNG grew by 35% to Rs. 1576 Crores in FY2018-19 from Rs. 1165 Crores in FY 2017-18. Sales volume of PNG increased from 479 mmscm in previous year to 553 mmscm in FY 2018-19, registering a growth rate of 15.45%. IGL provided 2.10 lacs new PNG connections during FY 2018-19. As on March 31, 2019, total PNG connections were provided to 11.02 Lakh households and 4276 Commercial & Industrial consumers. The Company's pipeline infrastructure expanded from 11,673 kms in FY 2017-18 to 13,028 kms in FY 2018-19.

### Segment-Wise Sales Volume



## Opportunities

The growth momentum of sales is likely to continue in the coming years.

**Expansion in new geographical areas:** The Company has spread its wings in number of new geographical areas after 9th and 10th round of bidding. The Company would continue to look for expansion in new geographical areas in the coming years.

**Green corridors:** Opening of CNG/LNG stations along highways would provide opportunities to the Company to increase its CNG sales volumes.

**Merger/acquisition of stake in other CGD Companies:** The Company is also exploring the possibility of expanding its operations through merger or acquisition of shares in other CGD Companies in the country.

**Cost competitiveness:** CNG is economical as compared to other liquid fossil fuels such as petrol/diesel. This would continue to push the conversion of vehicles to CNG mode.

**Thrust on PNG by Government:** Government has envisaged to provide 1 Crore connections by 2020 and has set aggressive targets for providing PNG connections. In line of the same, your Company has also set high targets for PNG domestic connections.

**Smart Cities:** The government of India is in the process of developing smart cities. These cities will have a strong infrastructure of clean and efficient fuel which would add to the growth prospects of the Company.

**Concern for pollution:** There is a concern for increased population in the country. In order to curb the same, judiciary, central and state governments are giving boost to eco-friendly fuel i.e. CNG and PNG.

## Threats, Risk & Concerns and Mitigations

**Growing importance to electric vehicles:** The popularity of Electric enabled vehicles have been growing in India with government introducing various incentive schemes. In medium to long term, these cars may pose a potential threat to CNG run vehicles.

The Company is preparing itself for meeting the challenge by becoming a part of value chain in electric car business. It has entered into a MoU with a reputed Company for putting up charging facilities at its stations.

**Regulatory Regime:** The City Gas Distribution is under regulatory regime wherein the Regulatory Board (PNGRB) has framed various regulations, which have ramifications on day to day business operations of the CGD entity. The changes in the regulations, inter-alia, marketing exclusivity may have an adverse impact on the Company. With regard to Marketing Exclusivity, IGL has challenged Regulations 5 and 6 of the PNGRB Exclusivity Regulations in the Hon'ble High Court of Delhi and the matter is sub-judice.

Your Company has already established the CGD infrastructure across all parts of NCT of Delhi. The setting up of new CGD infrastructure would be a major challenge for any new entrant in the prevailing scenario.

**Non-availability of Natural Gas:** Domestic Natural Gas is a scarce resource. The non-allocation of the required amount of low cost natural gas by government may have an adverse impact on margins.

However, considering the thrust of the government for promoting eco-friendly fuel and firm allocation of gas for transport and PNG domestic segments, it is expected that the Company would continue to get assured supply of gas at an affordable price.

**Competition from Alternate Fuels:** The Company's customers also have an alternative to move towards other fuels if there is a cost advantage. If such a scenario arises then it would impact Company's business.

CNG constitutes around 75% of the total sales volume of the Company and is very much competitive compared to alternate fuels i.e. petrol and diesel.

**Macro-economic scenario:** The changing macro-economic scenario can have an impact on the growth plan of the Company.

However, the Company has a strong financial position and credit rating which will help the Company to mitigate this risk. Healthy profitability, strong cash flow from operations, zero debt, and comfortable working capital position helps the Company to maintain its financial position.

**Fire & Safety Risk-** The Company is in gas distribution business and fire & safety is a major concern.

The Company gives utmost priority to this area and has robust system and procedures which helped it to record 161 million accident free man hours as on March 31, 2019.

## Internal Control

The Company has adequate internal control procedures commensurate with the size and nature of its business. During the FY 2018-19, M/s PriceWaterhouse, Chartered Accountants and in-house audit team carried out internal audits and the internal audit reports prepared by them were placed before the Audit Committee.

## Human Capital

The Company values its employees the most as their hard work and efforts lead to Company's growth. IGL provides training at all levels to its employees. As on March 31, 2019, IGL's employee strength stands at 644 employees. With the growth of the Company, the employee strength is anticipated to grow further. The Company undertakes various initiatives to integrate employee's personal goals with Company's goals.

## Environmental consciousness

Natural gas is an environment friendly fuel and emerging as a fuel for the future. There is an endeavour on part of the government to increase its share in the total energy basket of the country. The Company is making continuous efforts to promote its wider use among all categories of prospective customers. To ensure this, awareness is spread among all the users regarding the economical and environmental advantages of natural gas when compared to other fuels. The Company is promoting usage of natural gas as a fuel to reduce pollution in Delhi and its adjoining areas.

## Cautionary statement

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





# Business Responsibility Report

[As per Regulation 34(2) (f)]

## Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L23201DL1998PLC097614
2	Name of the Company	Indraprastha Gas Limited
3	Registered address	IGL Bhawan, Plot No. 4, Community Centre, Sector-9, R. K Puram, New Delhi- 110022
4	Website	www.iglonline.net
5	Email ID	investors@igl.co.in
6	Financial Year reported	April 1, 2018 – March 31, 2019
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Natural Gas NIC Code (as per NIC Code 2008): 3520 (Manufacture of gas; distribution of gaseous fuels through mains)
8	Three key products/services manufactured (as in balance sheet):	Natural Gas
9	Total number of locations where business activity is undertaken by the Company	NCT of Delhi and NCR Towns
	(a) Number of International Locations (Provide details of major 5)	NIL
	(b) Number of National Locations	NCT of Delhi and NCR Towns
10	Markets served by the Company	Local/State (Delhi & NCR, India)

## Section B: Financial Details of the Company

(i)	Paid up capital	Rs. 140.00 Crores (700,000,800 equity shares of Rs. 2 each)
(ii)	Total Turnover	Rs. 6336.66 Crores
(iii)	Total profit after taxes	Rs. 786.67 Crores
(iv)	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	(i) Amount spent: Rs. 14.49 Crores (ii) Amount spent as percentage of profit after tax: 1.84%
(v)	List of activities in which expenditure in 4 above has been incurred:	
	(i) Education	
	(ii) Eradicating Poverty	
	(iii) Preventive Healthcare, Sanitation & Hygiene	
	(iv) Skill Development	
	(v) Gender Equality & Women / Girl child Empowerment	

## Section C: Financial Details of the Company

### 1. Does the Company have any Subsidiary Company/ Companies?

No

### 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Not Applicable

### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [>30%, 30-60%, < 60%]

No, none of the entity/entities with whom Company does business participates in the BR initiatives of the Company. Company's promoters i.e. GAIL (India) Limited (GAIL) and Bharat Petroleum Company Limited (BPCL) are required to undertake BR activities and release their own BR reports.

## Section D: BR Information

### 1 Details of Director/Directors responsible for BR

#### a. Details of Director/Directors responsible for BR implementation of the BR policy/policies

DIN No. : 08515246  
 Name : Shri Amit Garg  
 Designation : Director (Commercial)

#### b. Details of the BR head

DIN (if applicable) : 08515246  
 Name : Shri Amit Garg  
 Designation : Director (Commercial)  
 Telephone No : 011-46074610  
 Email ID : gargam@igl.co.in

### 2. Principle-wise (as per NVGs) BR Policy/policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

#### Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability.

#### Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

#### Principle 3

Businesses should promote the well-being of all employees.

#### Principle 4

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

#### Principle 5

Businesses should respect and promote human rights

#### Principle 6

Business should respect, protect and make efforts to restore the environment.

#### Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

#### Principle 8

Businesses should support inclusive growth and equitable development

#### Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner.



**Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Yes	No§	Yes	No**	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	No††
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes∞	NA	Yes∞	NA	Yes∞	Yes∞	Yes∞	Yes∞	Yes∞
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	No
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	Ref#	NA	Ref§§	NA	Ref***	Ref†††	Ref##	Ref\$\$\$	No
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	No
8	Does the company have in-house structure to implement the policy/policies?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	NA	Yes	NA	Yes	Yes	Yes	Yes	Yes

§Company does not have specific policies regarding these aspects, considering the nature of Company's business. However, the Company is taking appropriate actions as and when required to address them

\*\*Company doesn't have specific policies regarding these aspects. However, Company is taking care of disadvantaged, vulnerable and marginalized sections of the society through its various CSR programs

††PNGRB has a separate regulations "Petroleum and Natural Gas Regulatory Board (Code of Practice for Quality of Service for City or Local Natural Gas Distribution Networks) Regulations, 2010" that details the standards of quality of services that a CGD entity has to abide by.

∞All policies have been developed as per the applicable legal framework

#[http://www.iglonline.net/english/5000\\_media/About\\_us/Whistle-Blower-Policy.pdf](http://www.iglonline.net/english/5000_media/About_us/Whistle-Blower-Policy.pdf)

§§Policies are available to employees through intranet portal.

\*\*\*Policy is available to employees through intranet portal.

†††<http://www.iglonline.net/english/Default.aspx?option=article&type=single&id=71&mnuid=169&prvtyp=site>

##[http://www.iglonline.net/english/5000\\_media/About\\_us/Code-for-Fair-Disclosure.pdf](http://www.iglonline.net/english/5000_media/About_us/Code-for-Fair-Disclosure.pdf)

\$\$\$<http://www.iglonline.net/english/Default.aspx?option=article&type=single&id=38&mnuid=196&prvtyp=site>

**3. Governance related to BR**

**a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Company is committed to the sustainable performance of its business and enhancement of stakeholders' value. The Board of Directors of the Company endeavour to ensure continues and improves the sustainable practice of the Company through

continual assessment at various levels. The Board of Directors assesses the BR performance of the Company, at least once on annual basis.

**b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publishes its Business Responsibility Report annually which forms part of the Annual Report and can be accessed at the investor relations section on <http://www.iglonline.net>.

## Section E: Principle Wise Performance

**Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability**

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

We have a code of conduct for board members and senior management and whistle blower policy applicable to the employees, directors, vendors and suppliers of the Company. For more details, please refer to the Code of conduct webhosted on our website, at [http://www.iglonline.net/English/5000\\_media/Investor\\_Relations/Code\\_of\\_Conduct.pdf](http://www.iglonline.net/English/5000_media/Investor_Relations/Code_of_Conduct.pdf).

The Whistle blower Policy is available on our website, at [http://www.iglonline.net/english/5000\\_media/About\\_us/Whistle-Blower-Policy.pdf](http://www.iglonline.net/english/5000_media/About_us/Whistle-Blower-Policy.pdf). In addition, the Company has a system for delegation of powers, contract & procurement manual and other policies to ensure that day to day affairs of the Company are conducted in a systematic and fair manner. The Company promotes at all levels ethics, transparency and fair dealing with the various stakeholders of the Company.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Company's stakeholders include our investors, employees, customers, vendors, government and local communities. For investor complaint, please refer to 'investor complaint' section in the corporate governance section of annual report. Most of the investor complaints were related to dividend and non-receipt of annual reports etc. Total 31 complaints were received during the financial year. All investors' grievances were disposed of and there was no pending complaint at the end of the year.

The complaints received from the customers are being addressed by Customer care cell of Marketing Department of the Company. The Chief Ethics Officer appointed under vigil mechanism addresses the complaints received from other stakeholders.

**Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities?**

The Company is engaged in the business of providing natural gas and environmental friendly fuel for the transportation, household cooking and to commercial and industrial establishments in NCT of Delhi and NCR. The business of the Company itself promotes a sustainable eco-friendly environment which ensures the sustainability of Company's business. Air pollution has been a major concern for the country and particularly in National Capital and surrounding areas. The concern has been raised at various forums for reducing the level of pollutants and improving the air quality index. All public transportation in NCT of Delhi is run on compressed natural gas which is a green fuel as well as cost effective compared to other fossil fuels such as petrol and diesel. Similarly, PNG used by households, commercial and industrial establishments are clean fuel and does not harm the environment. The Company has been able to implement CNG and PNG as green fuel since its inception and has contributed to improve the quality of air in its area of operation. There is a continuous endeavour on the part of Company to make available environment friendly fuel at a reasonable price to create pollution free environment for the society. The Company has been expanding its business not only in existing areas but also has plans to enter into new geographical areas to supply eco-friendly fuel.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**a. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

The Company is primarily in distribution and supply of the natural gas to the business users and end consumers. We are sourcing APM and PMT gas from GAIL at a price determined by the Government of India for meeting the entire requirement of the transportation and PNG domestic sector. The requirement of gas for commercial and industrial sector are met through various sources i.e. GAIL, BPCL and other private players. With concerted efforts, the Company has shown operational efficiency by reducing the gas loss over a period of time.



**b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company is making continuous efforts to increase the uses of natural gas. Natural gas which is the major product of IGL doesn't produce significant amount of solid waste, air emissions, and carbon dioxide are also of lower quantity than those produced from non-renewable coal and oil. The increased use of natural gas reduces the carbon dioxide content in the area. It is evident from the fact that Government of India is giving thrust to natural gas and wish to increase its share in the total energy basket of the country.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.**

There is sustainable source of meeting gas requirements for various segments of the Company. The government has given priority in allocation of gas for transportation and domestic sector. The Company has firm supply of gas for transportation and domestic households from Government of India to meet its entire requirement. The percentage of CNG and PNG domestic sector constitute approx. 80% of total sales volume of the Company. The Company is sourcing gas through long term contracts and on spot basis for meeting the requirement of commercial and industrial customers based on the requirement from time to time. Substantial portion of the raw material sourced by the Company is transported through the installed pipelines, which is clean and sustainable mode of transportation.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

We source natural gas from GAIL and other supplier as mentioned above. Besides sourcing of gas, the Company procures various materials and services for its day to day operations for which we engage with local suppliers. The Company's procurement approach is based on least priced tendering mechanism which ensures equal opportunity to all the participants including local communities and small producers. The bids received by the Company from various parties are first evaluated based on Bidding Evaluation Criteria

(BEC) and thereafter techno commercial evaluation is done and job is awarded to the lowest bidder. The Company has detailed contract programme manual and contracts are made as per rules, criteria and principles laid down in the manual which includes appropriate clauses and checks to prevent the employment of child labour or forced labour in any form. Our whistle blower policy/vigil policy provides sufficient mechanism to voice concerns and issues of our suppliers. We also organize various interactive sessions with suppliers, vendors and customers for their feedback and to offer better services.

**5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%)? Also, provide details thereof?**

The nature of the product of Company is such that it cannot be recycled. However, the Company is exploring the possibilities of co-generation and production of natural gas through Sewage Treatment Plant (STP) or through other technologies.

**Principle 3 - Businesses should promote the well-being of all employees**

- 1. Total no of employees:** Our total employee count stands at 10644 (644 permanent employees + 10000 employees on temporary/contractual/casual basis) as on March 31, 2019.
- 2. Total number of employees hired on temporary/contractual/casual basis:** Total count of employees hired on temporary/contractual/casual basis by the Company stands at 10000 as on March 31, 2019.
- 3. No of permanent women employees:** The number of our total women employees is 30 as on March 31, 2019.
- 4. Number of permanent employees with disabilities:** The number of disabled permanent employees stands at 4.
- 5. Do you have an employee association that is recognized by management:** No
- 6. What percentage of your permanent employees is members of this recognized employee association?**

Not applicable as the Company does not have any employee association.

**7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

**8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

The Company believes in holistic development of its employees and for this purpose organize various training programs like competency development, team building, soft skills and other periodical training on regular basis. The Company has Health, Safety and Environment (HSE) Policy and we impart Safety training to our employees on periodical basis. Further, training is also imparted by the Company to the contractual staff at CNG Stations, DTC drivers and consumers of CNG and PNG.

The percentage of the employees who have attended the training on safety and skill up-gradation training is as follows:

- a) Permanent Employees: 91% (587 attended training programmes out of 644)
- b) Permanent Women Employees: 100%
- c) Casual/Temporary/Contractual Employees: 100%
- d) Employees with Disabilities: 100%

**Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

**1. Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has mapped its various key internal and external stakeholders and interacts with them from time to time. The Company give due recognition to its employees and there are regular communication

from management to its employees. The Company has suggestion scheme whereby employees can send suggestion on various matters to the management. The Company organizes various interactive sessions with its suppliers, vendors and customers for their feedback and to offer better services. Under fire and safety training programs, training is being imparted to employees, contract staff at CNG stations, DTC Drivers and consumers of CNG and PNG. Under CSR policy, the Company has taken various initiatives to provide benefits to the underprivileged and poor strata of society.

**2. Out of the above, has the Company identified the disadvantages, vulnerable and marginalised stakeholders?**

There is no formal identification of the disadvantages, vulnerable and marginalized stakeholders of the Company. However, as part of our CSR initiative, we are running education, healthcare, community infrastructure development projects, and skill development programme for the lower strata of society and is actively working with them towards inclusive growth.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so**

Yes, as a responsible organization we are committed to the needs and welfare of the communities around us and especially for the lower strata of the society. The Company has been providing group accident insurance, preventive health management & gender sensitization to auto and taxi drivers of the region. Company is also contributing towards skill development programmes for unemployed youth in the fields of gas plumbing and welding by providing technical oriented training. Further, the Company has been working with local authority for development of new toilet complexes and upgradation of the toilet facilities in the government run schools. The Company organizes free health check-up camps for the auto drivers and taxi drivers and has taken an insurance scheme i.e. group accident cover for drivers of CNG run public transport under IGL Suraksha Yojana.

**Principle 5 - Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

There is no dedicated human rights policy. However, the Company ensures protection of the human rights to all at various levels in its practices and all contractors



and suppliers are expected to follow the same. The Company has sexual harassment policy in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to ensure safe working environment for woman at workplace. We respect the human rights of all concerned and provide equal opportunities to all without any discrimination on the basis of gender, caste, sexual orientation or religion.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no grievances or complaints with respect to the human rights from any of the stakeholders of the Company during the past financial year.

**Principle 6 - Business should respect, protect and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others**

As a responsible organisation, we are committed to take necessary steps for protection of the environment. As a step in this direction our Health, Safety and Environment (HSE) Policy, ensures best practices and provide a safe and healthy workplace for our employees and contractors and other stakeholders engaged in business with the Company. All the HSE standards and parameters are regularly reviewed by the Company. The Contractors are also required to monitor adherence of the policy and take strict actions on any issues arising out of non-adherence of the HSE Policy and the standard parameters. In line with the Company's HSE policy, safety audits and other statutory compliances are done to ensure safety in all facets of Company's operations. The Emergency Control Centres (ECC) established at strategic locations across Delhi and the NCR, are manned round the clock to respond fast to any gas leak or emergency situation.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

IGL is committed to environmental protection and understands its role and responsibility in mitigating the effects of climate change. In this regard, Company's biggest contribution is in the form of its product, i.e. natural gas, which is a cleaner form of fuel compared to fossil fuels, i.e. coal and petroleum products. The Company is committed to promote the use of environment friendly natural gases which could help in

reduction of the carbon emission to a great extent and may contribute to prevent the global warming and the air pollution.

**3. Does the company identify and assess potential environmental risks? Y/N**

There is a minimal environmental risk from our operations owing to the nature of the business of the Company. There is no significant process emissions or waste generation in our operations and the limited wastes generated during the processing are disposed-off in an environment friendly manner.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Not Applicable.

**5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

For energy efficiency, Company has taken following initiatives:

1. Installation of APFC (Automatic Power Factor Controller) panels at 18 CNG stations in UP:- Automatic power factor controller has been installed at identified 18 CNG stations with 4 quadrant energy meter, in order to maintain power factor to ~ 0.99.
2. Installation of BLDC ceiling fans: - Conventional ceiling fans has been replaced by Brushless DC motor based ceiling fans, having approx 67% more efficiency than conventional fans.
3. Installation of LED light fittings at IGL CNG stations: - Proposal for replacement of Conventional light fittings (HPMV / CFL / Fluorescent tube) by energy efficient LED light fittings is under progress at all IGL owned CNG stations.
4. VAM of IGL Bhawan has been upgraded (with installation of new VAM) which has helped in Efficient temperature maintenance inside the building. The OLD VAM was to be run for much more time to get the same amount of cooling inside the building thereby helping in energy savings.
5. Low power consuming Seitz electro valves were installed in 20 Delta dispensers. This has resulted in reducing the running hours of air compressor.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Considering the nature of business, this is not applicable to the Company.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

We did not receive any show cause/ legal notices from CPCB/SPCB during the financial year 2018-19.

**Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Natural Gas Society which has been established to catalyse the development of the natural gas distribution industry. The aforesaid society is a think tank which provide critical inputs on the sectoral policy through research, collaboration and dialogues. The Company is also a member of Federation of Indian Petroleum Industry (FIPI).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We put forth our views through the above associations on various ongoing issues concerning the CGD sector, however, we do not lobby or influence public policies with vested interest.

**Principle 8 - Businesses should support inclusive growth and equitable development**

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Our corporate social responsibility believes in all-inclusive value creation among our stakeholders. We consider improving health, promoting education, increasing women empowerment & development of vocational skill leads to all-inclusive growth of all the communities. The Company has put in place a 'Policy on Corporate Social Responsibility' to guide its efforts on

CSR initiatives that contribute to inclusive growth and equitable development. Some of our corporate social responsibility initiatives include:

1. Promoting healthcare including preventive healthcare for CNG Drivers under IGL Swasth Saarthi Programme;
2. Building bonds through gender sensitization for auto drivers;
3. Self-defence training to women;
4. Skilled development training of unemployed youth in the fields of gas plumbing and welding;
5. Construction and re-development of toilets in government run schools;
6. Supporting meritorious students from underprivileged strata of society;

***Some of CSR activities undertaken by the Company have been duly recognized and Company received following rewards:***

1. CSR Community Initiative Awards for IGL Swasth Saarthi and Self Defence training programmes at New Delhi.
2. CSR Health Impact Awards 2018 for IGL Swasth Saarthi programme at New Delhi.
3. Asia's best CSR Leadership Awards for categories of Women Empowerment and Innovation in CSR practices at Singapore.
4. CSR Times Awards 2018 organized at New Delhi.
5. Social Imprints - CSR Awards & Summit 2019 for Women Empowerment organized at New Delhi.
6. Social and Business Enterprise Responsible Awards organized by SABERA for IGL Swasth Saarthi Programme at New Delhi.
7. CSR Leadership award under the category Conservation, Pollution Control and Clean Environment & Resources held at New Delhi.
8. Award for Gender Sensitization CSR programme at Dainik Jagran CSR awards 2019 at New Delhi.

For further detail of the programmes/projects undertaken by the Company under its corporate social responsibility initiative, please refer to the Annual Report on CSR Activities forming part of the Board report or our CSR section of our website <http://www.iglonline.net>.





**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The Programmes are being undertaken directly/ Government bodies/NGOs/specialized organisations etc. For details of the organizations through which the programmes are being undertaken please refer to the Annual Report on CSR Activities forming part of the Board report.

**3. Have you done any impact assessment of your initiative?**

Yes, we have been doing impact assessment studies of our CSR initiatives with the help of an external agency engaged by the Company with an intent to analyse the efficacy of the programme and achieving better results.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Company has taken various CSR activities for the benefit of society/community and spent Rs. 14.49 Crores on such initiatives during the financial year ended March 31, 2019. For details of the programmes/projects undertaken by the Company and the amount spent by the Company on such programmes/projects, please refer to the report on Corporate Social Responsibility forming part of our Annual Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Company constantly monitors and do impact assessment study of the CSR initiatives undertaken by on regular basis with the help of an external agency engaged by the Company to find the efficacy of the programme. On the basis of the assessment reports, appropriate measures are taken to ensure that the initiatives taken by the Company should be beneficial to the community and successfully adopted by them. The result of impact assessment study is further used for the future CSR initiatives of the Company.

**Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

The Company is catering to 10.7 lacs vehicles plying on CNG in Delhi and NCR. The Company had total 11.02 lacs households' connections, besides 4276 commercials and industrial customers. The Company follows customer centric approach and make all its efforts to attend the complaints in a time bound manner. Out of total customer complaints, 0.14 % of customer complaints were pending at the end of the financial year.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

As the Company does not deal in any physical product, this is not applicable.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

We have appropriate mechanisms to receive and address complaints from stakeholders related to compliance, corruption or bribery. No stakeholder has filed any case against the Company, nor are any cases pending regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and no such case is pending as on 31 March 2019.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

We interact with our customers on a regular basis and across multiple platforms. We also carry out consumer survey from time to time to assess the customer satisfaction level and take appropriate actions for improving its services. We are a customer centric organization and always endeavour to raise the level of quality of services offered to our customers.

# **Financial Statements**



# Independent Auditor's Report

To  
The Members of  
Indraprastha Gas Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying standalone financial statements of Indraprastha Gas Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10)

of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

#### Key audit matter

**Demand raised by Delhi Development Authority ('DDA')**  
Refer note 3.19 for the accounting policy and note 36(1)(c) for the related disclosure.

As explained in the note 36(1)(c) to the accompanying standalone financial statements; the Company had received a demand from DDA amounting to Rs.155.64 crores during financial year 2013-14 pertaining to the period 1 April 2007 to 31 March 2014 on account of increase in license fees in respect of sites taken on lease by the Company from DDA for setting up Compressed Natural Gas (CNG) stations in Delhi. The Company had filed a writ petition on 11 October 2013 before the Hon'ble High Court of Delhi against the aforesaid demand raised by DDA which is currently pending.

#### How our audit addressed the key audit matter

Our audit procedures in relation to the aforesaid matter included, but were not limited to the following:

- Evaluated the design of, and tested key controls in respect of litigations and contingent liabilities;
- Obtained the Company's evaluation of the said matter supported by the external legal opinion obtained by the management in the financial year ended 31 March 2019;
- Discussed the said matter with the in-house legal general counsel of the Company;

Key audit matter	How our audit addressed the key audit matter
<p>Further, DDA vide communication dated 29 August 2016 had revised the total demand to Rs. 330.73 crores for the period upto 31 March 2016.</p> <p>The management of the Company, based on legal opinion obtained by them, have assessed the same as contingent and accordingly not provided for the demand raised by DDA in the financial statements.</p> <p>We identified this as key audit matter for current year audit owing to the materiality of the amounts involved in this matter and inherent subjectivity and uncertainty involved in determination of the amount, if any, to be provided as liability in accordance with the applicable accounting standards.</p>	<ul style="list-style-type: none"> <li>• Conducted in-depth inquiries with the management of the Company and robust discussions with the Board, to obtain their view on the status of the aforesaid matter;</li> <li>• Circulated and obtained confirmation from the legal counsel representing the Company as at year end; and</li> <li>• Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards</li> </ul>

### Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. As required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Act, we give our report on the matters specified in the aforementioned directions in Annexure B on taking into consideration the information, explanations, examination of records and written representations received from the management.
18. Further to our comments in Annexure A, 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) Ms. Varsha Joshi, the director of the Company as on 31 March 2019, has not provided a written representation as to whether any Company in which she is a director as on 31 March 2019, had not defaulted in terms of sub-section (2) of the section 164 of the Act. In the absence of this representation, we are unable to comment whether she is disqualified from being appointed as a director under sub-section (2) of section 164 of the Act. However, she has vacated office as a director of the Company with effect from 23 May 2019. As far as other directors are concerned, on

the basis of the written representations received from such directors and taken on record by the Board of Directors, we report that none of the other directors are disqualified as on 31 March 2019 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

- f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 31 March 2019 as per Annexure C expressed unmodified opinion; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in note 36(1) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
  - iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No.: 058644

Place: New Delhi  
Date: 24 May 2019



# Annexure A to the Independent Auditor's Report

## Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE').
- (b) Other than PPE related to underground natural gas distribution system which as per management cannot be physically verified, the PPE has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the PPE is reasonable having regard to the size of the Company and the nature of its assets. For the underground natural gas distribution system, the management has adequate controls in place to safeguard the physical existence of the said distribution system.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for certain immovable properties taken on lease, per details given below:

(Rs. in Crores)

Nature of property	Whether leasehold / freehold	Gross block as on 31 March 2019	Net block as on 31 March 2019
Land	Leasehold perpetual*	9.83	9.83
Land	Leasehold perpetual@	7.15	7.15

\* The Company has an allotment letter for the said land but has not entered into a lease deed.

@ The Company has entered into a memorandum of understanding with the lessor, but has, however, not entered into a lease deed.

- (ii) The inventories of the Company comprise of natural gas and inventory of stores and spares parts. As explained to us, having regard to the nature of the inventory of natural gas, the procedures followed by the management for estimation of natural gas

quantities which is based on volume of pipelines and the volume of cascades containing the natural gas considering the standard temperature and pressures, are reasonable and no material discrepancies were noticed on such computation. Further, in our opinion, the management has conducted physical verification of inventory of stores and spare parts at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

- (b) The dues outstanding in respect of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

## Statement of Disputed Dues

Name of the statute	Nature of dues	Gross Amount due (Rs. in crores)	Amount paid under protest against gross amount due (Rs. in crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Matters relating to levy of Excise duty on discount to customers	4.84	2.42 (Refer note 1 below)	2008-10	Commissioner of Central Excise
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	8.23	1.65	Financial year (FY) 2010-11	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	10.68	2.14	FY 2011-12	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	2.51	2.20 (Refer note 2 below)	FY 2012-13	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	2.01	2.01 (Refer note 2 below)	FY 2013-14	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	1.09	1.09 (Refer note 3 below)	FY 2014-15	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	0.84	-	FY 2015-16	Commissioner of Income- tax (Appeals)
Uttar Pradesh Goods and Service Tax Act, 2017	Matters relating to demand of Central Goods and Service Tax and Uttar Pradesh Goods and Service Tax Act	0.04	0.04	FY 2018-19	Commercial Tax department, Uttar Pradesh

## Notes:

1. The aforementioned amount of Rs. 2.42 crores initially demanded by the Excise Department had been paid and had been expensed off in the Statement of Profit and Loss during the previous years. Subsequently, a penalty of equal amount was also imposed on the Company, post which the Company filed an appeal against the demand and penalty.
  2. Amount paid under protest of Rs. 4.21 crores for the financial year 2012-13 and 2013-14 includes adjustment of Rs.4.01 crores made by the Income-tax department against the refund of financial year 2013-14.
  3. Amount of Rs. 1.09 crores is adjustment made by the Income-tax department against the refund for financial year 2014-15.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.





- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No.: 058644

Place: New Delhi

Date: 24 May 2019

# Annexure B to the Independent Auditor's Report

## Annexure B

### Independent Auditor's Report as required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Companies Act, 2013 (the 'Act')

Based on the audit procedures performed and taking into consideration the information, explanations, examination of records and written representations given to us by the management in the normal course of audit, we report to the best of our knowledge and belief that:

S. No.	Directions	Response	Impact on financial statements
1.	Whether the Company has system in place to process all the accounting transactions through the IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through the IT system.  Further, as per the information and explanations given to us by the management, there are no accounting transactions that are processed outside the IT system by the Company which impact the integrity of the accounts.	Not applicable.
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	As per information and explanations given to us and based on the examination of records, the Company did not have any debts/loans payable to any lender as at and during the year ended 31 March 2019 and hence reporting under this direction is not applicable.	Not applicable.
3.	Whether funds received/ receivable for specific schemes from Central/ State Agencies were properly accounted for/ utilized as per its terms and conditions? List the case of deviation.	As per information and explanations given to us and based on the examination of records, no funds have been received during the year ended 31 March 2019 or are receivable as at 31 March 2019 for specific schemes from the Central/State Agencies. Therefore, reporting under this direction is not applicable.	Not applicable.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Place: New Delhi  
Date: 24 May 2019

Sd/-  
**Rajni Mundra**  
Partner  
Membership No.: 058644



# Annexure C to the Independent Auditor's Report

## Annexure C

### Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of Indraprastha Gas Limited (the 'Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to

future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by

the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No.: 058644

Place: New Delhi

Date: 24 May 2019



# Standalone Balance Sheet

As at 31 March 2019

		(Rs. in Crores)	
Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>A Assets</b>			
<b>1 Non-current assets</b>			
a) Property, plant and equipment	4	2,855.30	2,415.55
b) Capital work-in-progress	4	478.08	386.02
c) Other intangible assets	4	21.55	16.48
d) Financial assets			
(i) Investments	5	258.12	258.12
(ii) Loans	6	11.47	8.37
(iii) Other financial assets	7	0.34	0.30
e) Income-tax assets (net)	8	15.03	15.03
f) Other non-current assets	9	67.08	45.70
<b>Total non-current assets</b>		<b>3,706.97</b>	<b>3,145.57</b>
<b>2 Current assets</b>			
a) Inventories	10	50.94	52.37
b) Financial assets			
(i) Investments	11	1,285.87	889.57
(ii) Trade receivables	12	221.48	226.14
(iii) Cash and cash equivalents	13	71.16	203.68
(iv) Bank balances other than (iii) above	14	535.93	354.35
(v) Loans	15	3.78	6.48
(vi) Other financial assets	16	44.40	27.77
c) Other current assets	17	28.81	22.23
<b>Total current assets</b>		<b>2,242.37</b>	<b>1,782.59</b>
<b>Total assets</b>		<b>5,949.34</b>	<b>4,928.16</b>
<b>B Equity and liabilities</b>			
<b>1 Equity</b>			
a) Equity share capital	18	140.00	140.00
b) Other equity	19	3,989.85	3,372.90
<b>Total equity</b>		<b>4,129.85</b>	<b>3,512.90</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Other financial liabilities (other than those specified in item (b))	20	0.41	-
b) Provisions	21	19.55	12.83
c) Deferred tax liabilities (net)	22	267.84	225.31
d) Other non-current liabilities	23	0.97	0.81
<b>Total non-current liabilities</b>		<b>288.77</b>	<b>238.95</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Trade payables	24		
(A) total outstanding dues of micro enterprises and small enterprises; and		41.11	19.14
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		447.37	319.44
(ii) Other financial liabilities [other than those specified in item (c)]	25	977.76	797.70
b) Other current liabilities	26	61.66	39.12
c) Provisions	27	1.03	0.91
d) Current tax liabilities (net)	28	1.79	-
<b>Total current liabilities</b>		<b>1,530.72</b>	<b>1,176.31</b>
<b>Total liabilities</b>		<b>1,819.49</b>	<b>1,415.26</b>
<b>Total equity and liabilities</b>		<b>5,949.34</b>	<b>4,928.16</b>

## Significant accounting policies and other explanatory information forming part of the standalone financial statements (1-55)

In terms of our report attached

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No. 058644

Place: New Delhi

Date: 24 May 2019

For and on behalf of Board of Directors

Sd/-

**E. S. Ranganathan**

Managing Director

(DIN 07417640)

Sd/-

**Rakesh Chawla**

Chief Financial Officer

Sd/-

**Rajiv Sikka**

Director (Commercial)

(DIN 06819112)

Sd/-

**S.K. Jain**

Company Secretary

# Standalone Statement of Profit and Loss

for the year ended 31 March 2019

		(Rs. in Crores)		
Particulars	Note	Year ended 31 March 2019	Year ended 31 March 2018	
1	Revenue from operations	29	6,361.87	5,014.90
2	Other income	30	146.15	100.05
<b>3</b>	<b>Total income (1 + 2)</b>		<b>6,508.02</b>	<b>5,114.95</b>
<b>4</b>	<b>Expenses:</b>			
	(a) Purchases of stock-in-trade of natural gas	31	3,397.89	2,491.81
	(b) Changes in inventories of stock-in-trade of natural gas	32	(0.57)	(0.40)
	(c) Excise duty		597.03	479.43
	(d) Employee benefits expense	33	142.55	106.05
	(e) Finance costs	34	2.05	1.69
	(f) Depreciation and amortisation expenses	4	201.07	181.29
	(g) Other expenses	35	967.99	822.59
	<b>Total expenses (4)</b>		<b>5,308.01</b>	<b>4,082.46</b>
<b>5</b>	<b>Profit before tax (3 - 4)</b>		<b>1,200.01</b>	<b>1,032.49</b>
<b>6</b>	<b>Tax expense:</b>	44		
	(a) Current tax		370.31	316.94
	(b) Deferred tax		43.03	44.78
	Total tax expenses		413.34	361.72
<b>7</b>	<b>Profit for the year (5 - 6)</b>		<b>786.67</b>	<b>670.77</b>
<b>8</b>	<b>Other comprehensive income</b>			
	(a) Items that will not be reclassified to profit or loss			
	(i) Re-measurement of post employment benefit obligations		(1.44)	(0.27)
	(ii) Income-tax relating to re-measurement of post employment benefit obligations		0.50	0.09
	Other comprehensive income for the year, net of tax		(0.94)	(0.18)
<b>9</b>	<b>Total comprehensive income for the year (7+8) (comprising profit and other comprehensive income for the year)</b>		<b>785.73</b>	<b>670.59</b>
<b>10</b>	<b>Earnings per equity share: (face value of Rs. 2 per share)</b>	50		
	Basic and diluted (in Rs.)		11.24	9.58

## Significant accounting policies and other explanatory information forming part of the standalone financial statements (1-55)

In terms of our report attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

**Place:** New Delhi  
**Date:** 24 May 2019

For and on behalf of Board of Directors

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**S.K. Jain**  
Company Secretary



# Standalone Statement of Changes in Equity

for the year ended 31 March 2019

## A) Equity share capital

Particulars	Note	Number in crores	Rs. in crores
Balance as at 1 April 2017	18	14.00	140.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	18	70.00*	140.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2019	18	70.00	140.00

\*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of Rs. 10 into five equity shares having a face value of Rs. 2 each. Consequently, the total number of equity shares of the Company increased to 70,00,00,800 shares of Rs. 2 each.

## B) Other equity

(Rs. in Crores)

Particulars	Note	Reserves and surplus		Total
		General reserve	Retained earnings	
Balance as at 1 April 2017	19	303.50	2,483.06	2,786.56
Dividends paid (including dividend distribution tax)		-	(84.25)	(84.25)
Transactions with owners in their capacity as owners		-	(84.25)	(84.25)
Profit for the year		-	670.77	670.77
Other comprehensive income		-	(0.18)	(0.18)
Re-measurement of post employment benefit obligations (net of tax)		-	(0.18)	(0.18)
Balance as at 31 March 2018	19	303.50	3,069.40	3,372.90
Dividends paid (including dividend distribution tax)		-	(168.78)	(168.78)
Transactions with owners in their capacity as owners		-	(168.78)	(168.78)
Profit for the year		-	786.67	786.67
Other comprehensive income		-	(0.94)	(0.94)
Re-measurement of post employment benefit obligations (net of tax)		-	(0.94)	(0.94)
Balance as at 31 March 2019	19	303.50	3,686.35	3,989.85

### Significant accounting policies and other explanatory information forming part of the standalone financial statements (1-55)

In terms of our report attached

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Place: New Delhi  
Date: 24 May 2019

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**S.K. Jain**  
Company Secretary

# Standalone Cash Flow Statement

for the year ended 31 March 2019

(Rs. in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>A. Cash flow from operating activities:</b>		
Profit before tax	1,200.01	1,032.49
<i>Adjustments for:</i>		
- Depreciation and amortisation expense	201.07	181.29
- Unrealised foreign exchange (gain)	(0.10)	(0.07)
- Loss on property, plant and equipment sold or discarded	2.04	9.61
- Allowances for expected credit losses	2.59	(0.08)
- Provision for obsolete and slow moving capital work-in-progress	(0.33)	1.07
- Provision for obsolete and slow moving stores and spares, written back	(0.02)	(1.15)
- Allowances for expected credit loss no longer required, written back	(1.50)	(1.50)
- Liabilities/provisions no longer required, written back	(0.10)	(0.21)
- Adjustment of pre-acquisition dividend	-	1.05
- Finance costs	0.98	0.11
- Interest income on term deposits with banks	(36.39)	(21.89)
- Income from investment in mutual funds	(88.79)	(65.75)
- Dividend income on investment in associates	(17.70)	(9.49)
<b>Operating profit before working capital changes</b>	<b>1,261.76</b>	<b>1,125.48</b>
<i>Changes in working capital:</i>		
<i>Adjustments for (increase)/decrease:</i>		
- Financial assets	1.06	(5.68)
- Other current assets	(26.80)	(20.59)
- Inventories	1.45	0.50
- Trade receivables	2.07	(24.66)
<i>Adjustments for increase/ (decrease):</i>		
- Other liabilities	22.70	9.68
- Other Financial liabilities	108.56	67.61
- Trade payables	149.73	64.78
- Provisions	5.40	(7.54)
Cash generated from operations (gross)	1,525.93	1,209.58
Less: income-tax paid (net)	(368.78)	(330.25)
<b>Net cash flow from operating activities (A)</b>	<b>1,157.15</b>	<b>879.33</b>
<b>B. Cash flow from investing activities:</b>		
- Payment for purchase of property, plant and equipment, other intangible assets and capital work-in-progress including capital advances and creditors for capital goods	(680.72)	(469.88)
- Proceeds from sale of property, plant and equipment	-	0.04
- (Investment) in bank deposits with maturity more than three months	(2,183.64)	(579.76)
- Maturity of bank deposits with maturity more than three months	2,005.28	712.25
- Movement in restricted bank balance	(3.22)	(3.82)
- (Investment) in mutual funds	(9,626.86)	(6,304.12)
- Proceeds from sale of mutual funds	9,319.35	5,832.42
- Interest income on term deposits with banks	31.27	20.64
- Income received from investment in mutual funds	-	65.75
- Dividend received from associates	17.70	9.49
<b>Net cash flow used in investing activities (B)</b>	<b>(1,120.84)</b>	<b>(716.99)</b>





# Standalone Cash Flow Statement

for the year ended 31 March 2019

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>C. Cash flow from financing activities:</b>		
- Dividend and dividend distribution tax paid	(168.48)	(84.23)
- Interest paid	(0.35)	-
<b>Net cash flow used in financing activities (C)</b>	<b>(168.83)</b>	<b>(84.23)</b>
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	(132.52)	78.11
E. Cash and cash equivalents as at the beginning of the year	203.68	125.57
<b>F. Cash and cash equivalents as at the end of the year</b>	<b>71.16</b>	<b>203.68</b>
<b>G. Cash and cash equivalents at the end of the year (refer note 13)</b>		
i. Balances with banks in current accounts	25.88	29.07
ii. Cash on hand	11.89	5.01
iii. Balances with banks in fixed deposits with maturity of less than three months	33.39	169.60
	<b>71.16</b>	<b>203.68</b>

Note: Disclosure requirement as per Ind AS 7 (amended), Statement of Cash Flow, related to changes in liabilities arising from financing activity is not applicable to the Company.

## Significant accounting policies and other explanatory information forming part of the standalone financial statements (1-55)

In terms of our report attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Place: New Delhi  
Date: 24 May 2019

For and on behalf of Board of Directors

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Sd/-  
**S.K. Jain**  
Company Secretary

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 1 Corporate information

Indraprastha Gas Limited (the 'Company') or 'IGL' is a Company limited by shares domiciled in India and was incorporated on 23 December 1998 under the erstwhile Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office is located at IGL Bhawan, Plot No.4, Community Centre, Sector 9, R.K. Puram, New Delhi -110022. IGL is in the business of city gas distribution presently operating in the National Capital Territory of Delhi including adjoining areas of Noida, Greater Noida, Ghaziabad, Gurugram, Meerut (except area already authorised), Shamli, Muzaffarnagar, Karnal and Rewari.

## 2 Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorized have been considered in preparing these standalone financial statements.

### 2.1 Standards issued but not yet effective

On 30 March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effective date for adoption is financial periods beginning on or after 1 April 2019.

#### 2.1.1 Ind AS 116 – Leases

On 30 March 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing

the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

#### 2.1.2 Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

#### 2.1.3 Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 2.1.4 Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

## 2.1.5 Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company has not taken any borrowings during the period and hence the impact of the amendments is not applicable on the financial statements.

## 3 Significant accounting policies and other explanatory information

### 3.1 General information and statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements of the Company for the year ended 31 March 2019 were approved and authorised for issue by the Board of Directors on 24 May 2019 (refer note 55).

### 3.2 Overall considerations

These standalone financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in the standalone financial statements.

### 3.3 Historical cost convention

These standalone financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value.

### 3.4 Revenue recognition

#### (i) Sale of natural gas

Revenue from the contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Sales, as disclosed, are inclusive of excise but are net of trade allowances, rebates, vat and amounts collected on behalf of third parties.

The Company earns revenues primarily from sale of natural gas. Revenue is recognized on supply of gas to customers by metered/assessed measurements. The Company has concluded that it is the principal in all its revenue arrangements since it is primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risk.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). No element of financing is deemed present as the credit term is not more than one year.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines 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. A receivable is recognized where the Company's right to consideration is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

## (ii) Interest and dividend income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive payment is established.

## 3.5 Inventories

### (i) Inventory of stock-in-trade of natural gas

Inventory of stock-in-trade of natural gas in pipelines and cascades is valued at the lower of cost computed on First in First out (FIFO) basis and net realisable value. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventory to its present location and condition.

### (ii) Inventory of stores and spares

Stores and spares are valued at lower of cost computed on weighted average basis and net realisable value

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

## 3.6 Foreign currency transactions and translations

### i. Initial recognition

The Company's standalone financial statements are presented in Indian Rupee ('INR'), which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

### ii. Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

### iii. Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

## 3.7 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### Company as the lessor

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

## Company as the lessee

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on straight line basis unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.

## 3.8 Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

### *Defined contribution plans*

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

### *Defined benefit plans*

The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising

from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

### *Short-term employee benefits*

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

### *Long-term employee benefits*

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

## 3.9 Taxes on income

Tax expense comprises current tax and deferred tax. Current tax is the amount of the tax for the period determined in accordance with the Income-tax Act,

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

1961. Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the end of the reporting period. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in Other comprehensive income or in equity). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Such assets are reviewed at each balance sheet date to reassess realisation. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss, in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income-tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 3.10 Operating cycle

Based on the nature of products/activities of the Company and the normal time between purchase of natural gas and their realisation in cash or cash equivalents, the Company has determined its operation cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 3.11 Operating expenses

Operating expenses are recognised in statement of profit or loss upon utilisation of the service or as incurred.

## 3.12 (a) Property, plant and equipment

- i. Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.
- ii. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.
- iii. Gas distribution systems are commissioned when ready for commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.
- iv. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.
- v. Stores and spares which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalised as property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognised the new part with its own estimated useful life and it is depreciated accordingly. Likewise, when a major overhauling/ repair is performed, its cost is recognised in the carrying amount of respective assets if the recognition criteria are satisfied and depreciated over remaining useful life of asset or over the period of next overhauling due, whichever is earlier. All other repair and maintenance costs are recognised in the statement of profit and loss as and when incurred.



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## (b) Other intangible assets

Other intangible assets comprise of computer software/licenses. Such assets acquired by the Company are initially measured at cost. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and accumulated impairment loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits will flow to the Company.

## (c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

## 3.13 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method ('SLM') at rates prescribed in Schedule II to the Companies Act, 2013 which are in line with their estimated useful life, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.:

A	Asset class	Depreciation
	<b>Property, plant and equipment</b>	
	- Mother compressors, online compressors and Booster compressors (forming part of plant and equipment)	10 years
	- Pipeline (forming part of plant and equipment)	25 years
	- Signages (forming part of buildings)	10 years
	- Machinery spares	5 years

Overhauling cost is depreciated over the remaining life of the respective asset or over the period till the next overhauling date, whichever is earlier.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## B. Other intangible assets

Intangible assets comprising software and licenses are amortised on straight line method (SLM) over the useful life of five years, which represents the management's assessment of economic useful life of the other intangible assets.

Amortisation method, useful lives and residual values of other intangible assets are reviewed at each financial year - end and adjusted, if appropriate.

## 3.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents also include short-term (with 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 an insignificant risk of change in value.

## 3.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals 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.

## 3.16 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 3.17 Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

### 3.18 Impairment of property, plant and equipment, other intangible assets and investments in associates

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

### 3.19 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material. Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

### 3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 52.

### 3.21 Fair value measurement

The Company measures financial instruments such as investments in mutual funds, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the standalone 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.

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.





# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 3.22 Financial instruments

### I. Financial assets

#### a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

#### b. Subsequent measurement

##### (i) Financial assets carried at amortised cost

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

##### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

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

##### (iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through the statement of profit and loss.

#### c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47 details how the Company determines whether there has been a significant increase in credit risk.

#### d. Derecognition of financial assets

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

the Company has not retained control of the financial asset. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## II. Financial liabilities

### Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost. Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

## III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

## IV. Offsetting of financial instruments

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

### 3.23 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates

and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

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. The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions as and when they occur.

#### (i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### (ii) Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in these financial statements.



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## (iii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain property, plant and equipment.

## (iv) Impairment of trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

## (v) Fair value measurement

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 46).

## (vi) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 4 Property, plant and equipment, capital work-in-progress and other intangible assets

Particulars	Property, plant and equipment										Total	Other intangible assets Computer software/licenses	Capital work-in-progress (refer note 4.3 and 4.4)
	Freehold land	Land on perpetual lease (refer note 4.1)	Buildings (refer note 4.2)	Plant and equipment	Furniture and fixtures	Vehicles	Data processing equipment	Total					
								Balance as at 31 March 2018	Balance as at 31 March 2019				
<b>Gross block</b>													
Balance as at 1 April 2017	19.92	16.98	348.18	1,967.19	13.09	7.65	6.18	2,379.19	20.43	351.79			
Additions	1.18	-	59.47	427.92	3.27	0.17	6.26	498.27	7.55	492.89			
Disposals/ adjustments	-	-	10.04	5.06	0.77	0.09	0.90	16.86	-	458.66			
<b>Balance as at 31 March 2018</b>	<b>21.10</b>	<b>16.98</b>	<b>397.61</b>	<b>2,390.05</b>	<b>15.59</b>	<b>7.73</b>	<b>11.54</b>	<b>2,860.60</b>	<b>27.98</b>	<b>386.02</b>			
Additions	7.05	-	23.41	596.22	1.49	4.33	4.34	636.84	11.09	685.30			
Disposals/ adjustments	-	-	1.67	15.53	0.09	0.01	0.80	18.10	-	593.24			
<b>Balance as at 31 March 2019</b>	<b>28.15</b>	<b>16.98</b>	<b>419.35</b>	<b>2,970.74</b>	<b>16.99</b>	<b>12.05</b>	<b>15.08</b>	<b>3,479.34</b>	<b>39.07</b>	<b>478.08</b>			
Accumulated depreciation and amortisation													
Balance as at 1 April 2017	-	-	31.45	238.09	3.29	1.54	1.64	276.01	6.46	-			
Depreciation and amortisation charge for the year	-	-	18.16	152.92	1.64	1.02	2.51	176.25	5.04	-			
Disposals	-	-	2.19	3.30	0.74	0.09	0.89	7.21	-	-			
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>47.42</b>	<b>387.71</b>	<b>4.19</b>	<b>2.47</b>	<b>3.26</b>	<b>445.05</b>	<b>11.50</b>	<b>-</b>			
Depreciation and amortisation charge for the year	-	-	19.13	169.57	1.80	1.16	3.39	195.05	6.02	-			
Disposals	-	-	1.63	13.64	-	-	0.79	16.06	-	-			
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>64.92</b>	<b>543.64</b>	<b>5.99</b>	<b>3.63</b>	<b>5.86</b>	<b>624.04</b>	<b>17.52</b>	<b>-</b>			
<b>Net block as at 31 March 2018</b>	<b>21.10</b>	<b>16.98</b>	<b>350.19</b>	<b>2,002.34</b>	<b>11.40</b>	<b>5.26</b>	<b>8.28</b>	<b>2,415.55</b>	<b>16.48</b>	<b>386.02</b>			
<b>Net block as at 31 March 2019</b>	<b>28.15</b>	<b>16.98</b>	<b>354.43</b>	<b>2,427.10</b>	<b>11.00</b>	<b>8.42</b>	<b>9.22</b>	<b>2,855.30</b>	<b>21.55</b>	<b>478.08</b>			

Notes:

- 4.1 Gross block of land on perpetual lease includes land amounting to Rs. 16.98 crores (previous year: Rs. 16.98 crores) obtained on lease from local authorities under licensing arrangement and pending execution of the related lease agreements.
- 4.2 Buildings include buildings which have been constructed on land acquired on lease from various Government Authorities. (refer note 38).
- 4.3 The expenditure incidental to setting up of project is included in capital work-in-progress (CWIP) which is apportioned to the property, plant and equipment on completion of project. The Company has capitalised salary, wages and bonus amounting to Rs. 7.68 crores (previous year Rs. 6.28 crores) to the cost of property, plant and equipment /capital work-in-progress.
- 4.4 Capital work-in-progress has been netted off by Rs. 1.57 crores towards provision for obsolete and slow moving capital work-in-progress (previous year Rs. 1.90 crores)



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 5 Non-current financial assets- investments

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
<b>Investments in equity instruments (measured at cost)</b>		
<b>Trade (unquoted)</b>		
Investments in associates:		
(a) Central U.P. Gas Limited (incorporated in India, operating in cities of Kanpur and Bareilly)		
Proportion of Company's ownership	50%	50%
3,00,00,000 (31 March 2018: 3,00,00,000) equity shares of Rs. 10 each fully paid up in Central U.P. Gas Limited purchased at Rs. 22.65 per share	68.12	68.12
Incidental expenses amounting to Rs. 0.17 crores included in the cost of investments.		
(b) Maharashtra Natural Gas Limited (incorporated in India, operating in city of Pune and adjoining areas)		
Proportion of Company's ownership	50%	50%
5,00,00,000 (31 March 2018: 5,00,00,000) equity shares of Rs. 10 each fully paid up in Maharashtra Natural Gas Limited purchased at Rs. 38 per share	190.00	190.00
	<b>258.12</b>	<b>258.12</b>
Aggregate amount of unquoted investments	258.12	258.12

## 6 Loans - non-current

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits		
- Considered good - unsecured	11.47	8.37
	<b>11.47</b>	<b>8.37</b>

## 7 Other non-current financial assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balance with banks in fixed deposits having remaning maturity of more than 12 months (under lien against bank guarantee)	0.30	0.30
Others	0.04	-
	<b>0.34</b>	<b>0.30</b>

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 8 Income-tax assets (net)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Advance tax (net of provisions)	11.04	11.04
Income-tax demand paid under protest	3.99	3.99
	<b>15.03</b>	<b>15.03</b>

## 9 Other non-current assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Capital advances	20.65	7.98
Advances other than capital advances:		
Advance to related parties - GAIL (India) Limited (considered good, refer note 43)	11.48	16.93
Prepaid expenses	29.87	20.53
Others	5.08	0.26
	<b>67.08</b>	<b>45.70</b>

## 10 Inventories (valued at lower of cost and net realisable value)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Stock-in-trade		
Natural gas	3.71	3.14
Stores and spares	50.88	52.90
Less: Provision for obsolete and slow moving stores and spares	(3.65)	(3.67)
	<b>47.23</b>	<b>49.23</b>
	<b>50.94</b>	<b>52.37</b>

## 11 Current financial assets - Investments

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds (unquoted) - at fair value through profit and loss (refer 11.1 below)	1,285.87	889.57
	<b>1,285.87</b>	<b>889.57</b>
Aggregate amount of unquoted investments and market value thereof	<b>1,285.87</b>	<b>889.57</b>



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 11.1 Details of Unit and Values

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) 2,52,488.807 units (31 March 2018: Nil) in SBI Magnum Ultra Short Duration Fund, Direct Growth	105.23	-
(b) 2,50,85,667.555 units (31 March 2018: Nil) in HDFC Low Duration Fund, Direct Growth	102.50	-
(c) 5,06,076.717 units (31 March 2018: 5,45,159.307) in IDBI Liquid Fund, Direct Growth	101.37	101.43
(d) 2,21,645.568 units (31 March 2018: 3,66,246.783) in Reliance Liquid Fund, Direct Growth	101.11	102.82
(e) 2,57,867.07 units (31 March 2018: Nil) in HDFC Money Market Fund, Direct Growth	101.07	-
(f) 4,15,521.645 units (31 March 2018: Nil) in SBI Magnum Low Duration Fund, Direct Growth	101.03	-
(g) 1,96,56,614.166 units (31 March 2018: Nil) in JM Liquid Fund, Direct Growth	100.62	-
(h) 3,33,75,274.929 units (31 March 2018: Nil) in Reliance Floating Rate Fund, Direct Growth	100.51	-
(i) 3,07,05,080.77 units (31 March 2018: Nil) in HDFC Floating Rate Debt Fund, WP Direct Growth	100.42	-
(j) 3,58,700.377 units (31 March 2018: Nil) in Franklin India Liquid Fund, Direct Growth	100.38	-
(k) 36,24,187.29 units (31 March 2018: 30,70,190.191) in ICICI Prudential Liquid Fund, Direct Growth	100.18	78.95
(l) 4,96,310.478 units (31 March 2018: Nil) in Mirae Asset Cash Management Fund, Direct Growth	97.85	-
(m) 12,55,147.14 units (31 March 2018: 33,95,611.639) in Aditya Birla Sun Life Liquid Fund, Direct Growth	37.71	94.84
(n) 95,190.381 units (31 March 2018: Nil) in Tata Liquid Fund, Direct Growth	28.03	-
(o) 25,678.43 units (31 March 2018: Nil) in UTI Liquid Cash Plan, Direct Growth	7.86	-
(p) Nil units (31 March 2018: 5,28,406.20) in Axis Liquid Fund, Direct Growth	-	101.85
(q) Nil units (31 March 2018: 4,25,740.711) in Invesco India Liquid Fund, Direct Growth	-	101.84
(r) Nil units (31 March 2018: 41,73,998.828) in ICICI Prudential Money Market Fund, Direct Growth	-	100.37
(s) Nil units (31 March 2018: 3,86,970.268) in L & T Liquid Fund, Direct Growth	-	92.21
(t) Nil units (31 March 2018: 3,43,853.009) in UTI Money Market, Direct Growth	-	67.04
(u) Nil units (31 March 2018: 13,66,252.326) in DHFL Pramerica Instacashplus Fund, Direct Growth	-	30.85
(v) Nil units (31 March 2018: 69,907.135) in DSP BlackRock Liquidity Fund, Direct Growth	-	17.37
<b>Total</b>	<b>1,285.87</b>	<b>889.57</b>

## Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

### 12 Trade receivables

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Trade receivables		
i. Trade receivables considered good - secured	83.66	79.51
ii. Trade receivables considered good - unsecured	137.82	146.63
iii. Trade receivables - credit impaired	4.98	2.39
Less : Allowances for expected credit loss	(4.98)	(2.39)
	<b>221.48</b>	<b>226.14</b>
The above receivables include:		
Considered good - unsecured		
Receivables from related parties (refer note 43)	18.51	19.41

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

### 13 Cash and cash equivalents

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balances with banks in current accounts	25.88	29.07
Cash on hand	11.89	5.01
Balances with banks in fixed deposits with original maturity of less than three months	33.39	169.60
	<b>71.16</b>	<b>203.68</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

### 14 Bank balances other than cash and cash equivalents

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balances with banks in fixed deposits with original maturity of more than three months and remaining maturity of less than twelve months	528.36	350.00
Unpaid dividend account (refer note (a) below)	0.86	0.56
Earmarked balances with banks in current accounts- Escrow account	6.71	3.79
	<b>535.93</b>	<b>354.35</b>

Note:

a) Not due for deposit to the Investor Education and Protection Fund.





# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 15 Loans - current

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits		
i. Considered good - secured	-	-
ii. Considered good - unsecured (refer note 15.1 below)	3.78	6.48
iii. Deposits - credit impaired	1.50	3.00
Less : Allowances for expected credit losses	(1.50)	(3.00)
	<b>3.78</b>	<b>6.48</b>

15.1 Security deposits, *inter-alia* comprise of deposits given to related parties as below :

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) GAIL (India) Limited	0.10	0.10
(b) Bharat Petroleum Corporation Limited	0.01	0.01
	<b>0.11</b>	<b>0.11</b>

## 16 Other current financial assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	32.94	21.43
Interest accrued on fixed deposits	11.46	6.34
	<b>44.40</b>	<b>27.77</b>

## 17 Other current assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
<b>Advances other than capital advances:</b>		
CENVAT credit recoverable	0.62	4.04
Prepaid expenses	23.64	14.07
Employee advances	0.27	0.28
Advances to vendors*	1.33	1.49
Advances to others	1.94	1.50
Others	1.01	0.85
	<b>28.81</b>	<b>22.23</b>

The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the financial statements.

\*Advances to vendors, *inter-alia*, includes advances given to related parties as below:

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) Bharat Petroleum Corporation Limited	0.05	-
	<b>0.05</b>	<b>-</b>

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 18 Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(Rs. in crores)	Number of shares	(Rs. in crores)
(a) Authorised Equity shares of Rs. 2 each (previous year Rs. 2 each)	1,10,00,00,000	220.00	1,10,00,00,000	220.00
(b) Issued, subscribed and fully paid up Equity shares of Rs. 2 each (previous year Rs. 2 each)	70,00,00,800	140.00	70,00,00,800	140.00

### 18.1 Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 2 each (previous year Rs. 2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### 18.2 Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(Rs. in crores)	Number of shares	(Rs. in crores)
Balance as at the beginning of the year	700,000,800	140.00	14,00,00,160	140.00
Changes in equity share capital during the year	-	-	-	-
Shares outstanding at the end of the year	70,00,00,800	140.00	700,000,800*	140.00

\*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of Rs. 10 into five equity shares having a face value of Rs. 2 each. Consequently, the total number of equity shares of the Company increased to 70,00,00,800 shares of Rs. 2 each.

### 18.3 Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 2 each</b>				
(a) GAIL (India) Limited	15,75,00,000	22.50%	15,75,00,000	22.50%
(b) Bharat Petroleum Corporation Limited	15,75,00,400	22.50%	15,75,00,400	22.50%
(c) Life Insurance Corporation of India	5,32,34,451	7.60%	3,68,65,462	5.27%



## Standalone Summary of Significant Accounting Policies and Other Explanatory Information for the Year Ended 31 March 2019

- 18.4 The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet. Further, there are no shares which are reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.
- 18.5 During the current year, the Company paid dividend of Rs. 2 per equity share for financial year 2017-18 amounting to Rs. 140 crores (excluding dividend distribution tax of Rs. 28.78 crores) [in the previous year, Rs. 5.00 per equity share for financial year 2016-17 amounting to Rs. 70 crores (excluding dividend distribution tax of Rs. 14.25 crores)].

### 19 Other equity

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
<b>(a) General reserve:</b>		
Balance as at the beginning/ end of the year	303.50	303.50
<b>(b) Retained earnings:</b>		
Opening balance	3,069.40	2,483.06
Profit for the year	786.67	670.77
Dividends distributed to equity shareholders (refer note no: 18.5 above)	(140.00)	(70.00)
Dividend distribution tax on dividend paid on equity share capital (refer note 18.5 above)	(28.78)	(14.25)
	3,687.29	3,069.58
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(0.94)	(0.18)
Closing balance	<b>3,686.35</b>	<b>3,069.40</b>
	<b>3,989.85</b>	<b>3,372.90</b>

### Nature of reserves

#### General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with Companies (Transfer of profits to Reserve) Rules, 1975. Consequent to introduction of the Companies Act 2013, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

#### Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

### 20 Other non-current financial liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits	0.41	-
	<b>0.41</b>	-

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 21 Non-current provisions

	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for employee benefit obligations (refer note 42)	19.55	12.83
	<b>19.55</b>	<b>12.83</b>

## 22 Deferred tax liabilities (net)

		(Rs. in Crores)	
Particulars	Note	As at 31 March 2019	As at 31 March 2018
(a) Deferred tax liabilities on:			
Difference between book balance and tax balance of property, plant and equipment.		275.98	234.03
Financial assets at fair value through profit or loss		5.32	-
Others		0.03	-
		281.33	234.03
(b) Deferred tax assets on:			
Provision for employee benefit obligations		7.70	4.89
Provision for obsolete and slow moving stores and spares/ Capital work-in-progress		1.82	1.95
Provision for expected credit loss on trade receivables and security deposits		2.26	1.88
Others		1.71	-
		<b>13.49</b>	<b>8.72</b>
Deferred tax liabilities (net)		<b>267.84</b>	<b>225.31</b>

### Movements in deferred tax liabilities and deferred tax assets

				(Rs. in Crores)
Particulars	Property, plant and equipment	Gratuity and compensated absences	Other provisions	
<b>As at 1 April 2017</b>	203.31	(7.74)	(14.95)	
Charged to the statement of profit or loss	30.72	2.94	11.12	
(Credited) to other comprehensive income	-	(0.09)	-	
<b>As at 31 March 2018</b>	234.03	(4.89)	(3.83)	
Charged/(credited) to the statement of profit or loss	41.95	(2.31)	3.39	
(Credited) to other comprehensive income	-	(0.50)	-	
<b>As at 31 March 2019</b>	<b>275.98</b>	<b>(7.70)</b>	<b>(0.44)</b>	



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 23 Other non-current liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Others	0.97	0.81
	<b>0.97</b>	<b>0.81</b>

## 24 Current financial liabilities- Trade payables

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 41)	41.11	19.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to others	296.53	242.51
Payable to related parties (refer note 43)	150.84	76.93
	<b>488.48</b>	<b>338.58</b>

## 25 Other current financial liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits from customers (refer note 39)	649.27	544.65
Unclaimed dividend#	0.86	0.56
Security deposits from vendors	3.54	5.17
Employee payable	28.29	23.13
Creditor for capital goods	295.80	224.19
	<b>977.76</b>	<b>797.70</b>

#not due for deposit to the Investor Education and Protection fund.

## 26 Other current liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Excess payments received from customers	23.72	16.57
Advance from customers	6.31	3.79
Statutory dues payable	13.14	13.55
Advance received for shifting of pipeline	17.05	4.09
Others	1.44	1.12
	<b>61.66</b>	<b>39.12</b>

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 27 Current- provisions

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for employee benefit obligations (refer note 42)	1.03	0.91
	<b>1.03</b>	<b>0.91</b>

## 28 Current tax liabilities (net)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for tax (net of advance tax)	1.79	-
	<b>1.79</b>	<b>-</b>

## 29 Revenue from operations

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Sale of natural gas (including excise duty)	6,336.66	4,993.78
Other operating revenues	25.21	21.12
	<b>6,361.87</b>	<b>5,014.90</b>

## 30 Other income

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Interest income from banks	36.39	21.89
Dividend income from:		
- investments in mutual funds	-	4.27
- investments in associates	17.70	9.49
Profit on sale of mutual funds	73.57	51.25
Net gain arising on debt mutual funds designated as at fair value through profit or loss	15.22	10.22
Liabilities/provisions no longer required, written back	0.10	0.21
Provision for obsolete and slow moving stores and spares, written back	0.02	1.15
Provision for obsolete and slow moving capital work-in-progress, written back	0.33	-
Allowances for expected credit loss no longer required, written back	1.50	1.50
Net gain on foreign currency transaction and translation	0.05	0.07
Other non-operating income	1.27	-
	<b>146.15</b>	<b>100.05</b>



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 31 Purchases of stock-in-trade of natural gas

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Natural gas	3,397.89	2,491.81
	<b>3,397.89</b>	<b>2,491.81</b>

## 32 Changes in inventories of stock-in-trade of natural gas

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Closing stock of stock-in-trade of natural gas	3.71	3.14
Opening stock of stock-in-trade of natural gas	3.14	2.74
	<b>(0.57)</b>	<b>(0.40)</b>

## 33 Employee benefits expense

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Salaries and wages	123.04	92.01
Contribution to provident fund and other funds	4.23	3.35
Staff welfare expenses	15.28	10.69
	<b>142.55</b>	<b>106.05</b>

## 34 Finance costs

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Finance costs on defined benefit obligations	1.07	1.58
Interest on late deposit of advance tax	0.26	-
Other finance costs	0.72	0.11
	<b>2.05</b>	<b>1.69</b>

## 35 Other expenses

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Operating expenses at CNG stations	182.53	160.56
Stores and spares consumed	27.03	20.93
Power and fuel	209.58	173.69
Rent	105.17	92.49
Hire charges:		
-Vehicle	25.23	22.75
-Equipment	1.57	0.86
Rates and taxes	2.33	1.82

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 35 Other expenses (Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Repairs and maintenance:		
-Buildings	12.89	11.06
-Plant and equipment	227.22	192.27
Security expenses	49.44	44.44
Insurance	1.49	1.62
Cash/cheque collection charges	10.70	6.87
Legal and professional fees	18.34	13.22
Auditor's remuneration (refer note 35.1)	0.54	0.48
Travelling and conveyance	5.40	4.52
Office maintenance	6.84	5.75
Advertisement expenses	12.40	10.19
Loss on property, plant and equipment sold or discarded	2.04	9.61
Allowances for expected credit losses	2.59	-
Provision for obsolete and slow moving capital work-in-progress	-	1.07
Corporate social responsibility (CSR) activity expenses (refer note 40)	14.49	11.60
Miscellaneous expenses	50.17	36.79
	<b>967.99</b>	<b>822.59</b>

## 35.1 Payment to the statutory auditors as:

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
(a) Auditor	0.51	0.47
(b) For reimbursement of expenses	0.03	0.01
	<b>0.54</b>	<b>0.48</b>

## 36 Contingent liabilities

### 1. Claims against the Company not acknowledged as debt:

#### (a) Demand raised by Excise authorities

The Company had received a show cause notice dated 5 June 2012 from the Directorate General of Central Excise Intelligence for not paying excise duty on the facility discount paid to Delhi Transport Corporation from December 2008 to August 2010 and raised a demand of Rs. 2.42 crores (previous year Rs. 2.42 crores) which the Company duly deposited and, however, filed an appeal on 20 August 2013 with the Commissioner of Central Excise. The demand was confirmed by the Commissioner of Excise in its order dated 30 September 2013 and a penalty of Rs. 2.42 crores (excluding interest) was imposed on the Company. The Company filed an appeal on 10 January 2014 against the





# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

demand including penalty with Central Excise and Service Tax Appellate Tribunal and the stay has been granted by the tribunal against the demand. The case is remanded back to the assessing authority by Central Excise and Service Tax Appellate Tribunal to submit additional documents along with other evidence.

## **(b) Demand raised by income-tax authorities**

In respect of assessment year 2013-14 and 2014-15, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 2.51 crores and Rs. 2.01 crores for the assessment year 2013-14 and 2014-15 respectively including interest. Out of the said demand, Rs. 4.01 crores has been adjusted against the refund for the assessment year 2014-15 and demand order for the balance amount of Rs. 0.51 crores has been issued by the Department for assessment year 2013-14. The Company had filed an appeal with the Commissioner of Income-tax (Appeals) which was ruled in favour of the revenue. The Company has further challenged the Order of the Commissioner of Income-tax (Appeals) in the Income-tax Appellate Tribunal. The Company has also deposited under protest Rs. 0.20 crores against the demand of Rs. 0.51 crores for the assessment year 2013-14.

In respect of assessment year 2011-12, 2012-13 and 2015-16, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 8.23 crores, Rs. 10.68 crores and Rs. 1.09 crores for the assessment year 2011-12, 2012-13 and 2015-16 respectively. Out of the said demand, Rs. 1.65 crores and Rs. 2.14 crores has been deposited under protest for the assessment year 2011-12 and 2012-13 respectively and Rs. 1.09 crores has been adjusted against the refund of assessment year 2015-16. The Company had filed appeals with the Commissioner of Income Tax (Appeals) against the decision of the Income-tax department which was ruled in favour of Company in the current year. Subsequently, the Income-tax department has further filed an appeal against the order of Commissioner of Income-tax (Appeals) in Income-tax Appellate Tribunal.

In the current year, the assessing officer had disallowed additional depreciation claimed by the Company in respect of assessment year 2016-17, on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 0.84 crores for the assessment year 2016-17 including interest. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the assessment order passed by income-tax department for AY 2016-17. The Company is of the view that such disallowance is not tenable and accordingly no provision has been made for the said demands.

## **(c) Demand raised by Delhi Development Authority (DDA)**

Delhi Development Authority (DDA) has raised a total demand of Rs. 155.64 crores during 2013-14 on account of increase in license fees in respect of sites taken by the Company on lease from DDA for setting up compressed natural gas (CNG) stations in Delhi. The increase in license fees was related to the period 1 April 2007 to 31 March 2014. The Company has filed a writ petition on 11 October 2013 before the Hon'ble Delhi High Court against the demand raised by DDA as the revised license fees has been increased manifold and made applicable retrospectively from financial year 2007-08. Further, DDA vide communication dated 29 August 2016 has revised the total demand to Rs. 330.73 crores for the period upto 31 March 2016. The same was also reported in the previous year(s) as a contingent liability.

The matter is pending in the Hon'ble High Court of Delhi and the Company, based on the legal opinion taken, is of the view that such demand is not tenable and accordingly no provision has been made for this aforementioned demand raised by DDA in the books of accounts.

## **(d) In the current year, the Company received a demand amounting to Rs. 0.04 crores from the Commercial Tax department, Uttar Pradesh which has been deposited by the Company under protest.**

## Standalone Summary of Significant Accounting Policies and Other Explanatory Information for the Year Ended 31 March 2019

- (e) Apart from those disclosed above, the Company has certain ongoing litigations involving customers, vendors and employees. Based on legal advice of in house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.
- 2 There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgment dated 28 February 2019 on provident fund on which the Company is seeking legal advice specially on the retrospective applicability of the same. However, the Company for the current year is complying with the statutory requirements of the same and does not believe that any material liability would devolve on it.
- 3 During the current year, GAIL (India) Limited has raised the following claims against the Company in relation to the allocation and actual utilisation of domestic gas amounting to :
- Rs. 40.70 crores which has later been revised to Rs. 0.17 crores post reconciliation of the computation performed by the Company and GAIL (India) Limited; and
  - Rs. 35.12 crores and Rs. 5.12 crores for the gas supplied by the Company to Adani Gas Limited (AGL) and Haryana City Gas Distribution Limited (HCGDL) respectively. The Company has raised claims of the corresponding amount to AGL and HCGDL respectively. Both the aforementioned companies are in the process of reconciling the data with GAIL (India) Limited. Further, based on the agreements entered into by the company with AGL & HCGDL respectively, and subsequent legal advice obtained on this matter, the management believes that the company has the right to recover the said amount if charged by GAIL(India) Limited, from these companies. Accordingly, the management does not believe that any material liability would devolve on the Company.

### 37 Bank guarantees

- (i) The Company was in earlier years granted authorization for laying, building, operating and expanding CGD network in the geographical area of Karnal and Rewari (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008 against which the Company had submitted a performance bank guarantee of Rs. 1,236 crores (previous year Rs. 1,236 crores) and Rs. 1,052.36 crores (previous year Rs. 1,052.36 crores) respectively to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years. Further, during the year, the Company has been granted authorization for laying, building, operating and expanding City Gas Distribution (CGD) network in the geographical area of Meerut (except area already authorised) Shamli, Muzaffarnagar, Kaithal, Ajmer, Pali, Rajsamand, Kanpur (except area already authorised), Fatehpur and Hamirpur under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has further submitted a performance bank guarantee amounting to Rs. 158 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years.
- (ii) The Company's commitment towards unexpired bank guarantees other than above mentioned in point (i) is Rs. 375.39 crores (previous year Rs. 368.41 crores) given in the ordinary course of business.
- 38 The Company has installed various CNG Stations on land leased from various government authorities for periods ranging from one to five years. However, assets constructed/installed on such land are depreciated generally at the rates specified in Schedule II to the Companies Act, 2013, as the management does not foresee non-renewal of the above lease arrangements by the authorities. The net block of such assets amounts to Rs. 278.99 crores (previous year Rs. 267.60 crores).
- 39 Security deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as current liabilities as every customer has a right to request for termination of supply and the Company does not have a contractual right to delay payment for more than 12 months.



## Standalone Summary of Significant Accounting Policies and Other Explanatory Information for the Year Ended 31 March 2019

**40** As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

- Gross amount required to be spent by the Company during the year is Rs. 16.58 crores (previous year Rs. 14.30 crores)
- Amount spent during the year on CSR

		(Rs. in Crores)		
S.No	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above:	14.49	-	14.49
	Empowerment of women and girl child	2.11	-	2.11
	Eradication of poverty	0.98	-	0.98
	Promotion of healthcare and sanitation	2.47	-	2.47
	Promotion of education	8.12	-	8.12
	Others	0.81	-	0.81

**41** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

		(Rs. in Crores)	
Particulars		As at 31 March 2019	As at 31 March 2018
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	-Principal amount due to any supplier*	197.27	126.15
	-Interest due on above	0.37	0.11
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.48	0.11

## Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

- 41** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (Contd..)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

\*includes amount of Rs. 156.64 crores (previous year Rs. 107.12 crores) towards creditors for capital goods.

### 42 Employee benefits:

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and other comprehensive income and the amount recognized in the balance sheet for the respective plans.

Particulars	(Rs. in Crores)			
	Non current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for gratuity (refer note below)	2.16	1.73	0.31	0.37
Provision for leave encashment	17.39	11.10	0.72	0.54
	<b>19.55</b>	<b>12.83</b>	<b>1.03</b>	<b>0.91</b>

### Gratuity (funded)

Particulars	(Rs. in Crores)	
	Gratuity benefits	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>Change in present value of the benefit obligations are as follows:</b>		
Present value of obligations at the beginning of the year	10.89	8.89
Current service cost	1.31	1.00
Interest cost	0.81	0.67
Actuarial (gain)/loss on obligation	1.44	0.27
Benefits paid	(0.26)	(0.12)
Past service cost including curtailment gains/losses	-	0.18
Present value of obligation at the year end	<b>14.19</b>	<b>10.89</b>
<b>Change in plan assets</b>		
Fair value of plan asset at the beginning of the year	8.79	-
Actual return on plan assets (including interest)	0.80	-
Employer contribution	2.49	8.79
Mortality charges	(0.10)	-
Benefits paid	(0.26)	-
Fair value of plan asset at the end of the year*	<b>11.72</b>	<b>8.79</b>

\*The fund is managed by Life Insurance Corporation of India and category-wise composition of plan assets is not available with the Company.



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## Gratuity (funded) (Contd..)

Particulars	(Rs. in Crores)	
	Gratuity benefits	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>Net liability recognised in balance sheet</b>		
Present value of the benefit obligations at the end of the year	14.19	10.89
Fair value of plan asset	11.72	8.79
Net liability recognised in balance sheet as provision	2.47	2.10
Non-current portion of net liability	2.16	1.73
Current portion of net liability	0.31	0.37
	2.47	2.10
<b>Expenses recognised in the statement of profit and loss:</b>		
Current service cost	1.31	1.00
Past service cost including curtailment gains/losses	-	0.18
Interest cost in benefit obligation (net)	0.12	0.67
<b>Total expense recognised in statement of profit and loss</b>	<b>1.43</b>	<b>1.85</b>
<b>Expense recognised in other comprehensive income</b>		
Actuarial loss recognised during the year	1.44	0.27
<b>Breakup of actuarial loss on defined benefit obligation:</b>		
Actuarial loss on arising from change in financial assumption	0.29	0.38
Actuarial (gain)/loss on arising from experience adjustment	1.15	(0.11)
<b>Total actuarial loss</b>	<b>1.44</b>	<b>0.27</b>

## Actuarial assumptions used

Particulars	Gratuity benefits	
	Year ended 31 March 2019	Year ended 31 March 2018
	Discount rate	7.65%
Expected salary escalation rate	6.50%	6.50%

Notes:

1. The discount rate is based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liability.
2. The estimates for future salary increase rate takes account of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

## Demographic assumptions used

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Mortality table	IALM(2006-08)	IALM(2006-08)
Retirement age	60 Years	60 Years
Withdrawal rates		
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

## Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

### Experience adjustment:

Particulars	(Rs. in Crores)				
	2019	2018	2017	2016	2015
Present value of defined benefit obligation	14.19	10.89	8.89	6.19	4.66
Experience gain/(loss) on liability	(1.15)	(0.11)	(0.12)	0.96	0.02

### Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

Particulars	(Rs. in Crores)			
	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.5%	Decrease by 0.5%	Increase by 1%	Decrease by 1%
<b>Discount rate</b> (Decrease)/ increase in the defined benefit liability	(0.93)	1.02	(1.37)	1.51
<b>Salary growth rate</b> (Decrease)/ increase in the defined benefit liability	1.03	(0.95)	1.52	(1.39)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

### Defined contribution plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 4.23 crores for provident fund contributions (previous year Rs. 3.35 crores) in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 43 Information on related party transactions pursuant to Ind AS 24 - Related party Disclosures

*List of related parties:*

- (a) Entities having significant influence over the Company (promoter venturers)
- GAIL (India) Limited
  - Bharat Petroleum Corporation Limited
- (b) Entities over which the Company exercises significant influence
- Central U.P. Gas Limited
  - Maharashtra Natural Gas Limited
- (c) Entities controlled by a major shareholder
- GAIL Gas Limited (controlled by GAIL (India) Limited)
- (d) Entities which are joint ventures of GAIL (India) Limited
- Petronet LNG Limited
  - Green Gas Limited
  - Rajasthan State Gas Limited
- (e) Key managerial personnel (KMPs):
- |       |                               |  |
|-------|-------------------------------|--|
| i     | Mr S. Ramesh                  | Chairman (with effect from 1 April 2018 to 23 September 2018)            |
| ii    | Mr. Arun Kumar Singh          | Chairman (with effect from 1 October 2018 to 13 January 2019)            |
| iii   | Mr. Gajendra Singh            | Chairman (with effect from 14 January 2019)                              |
| iv    | Mr. E.S. Ranganathan          | Managing Director  |
| v     | Mr. V. Nagarajan              | Director Commercial (till 24 May 2018)                                   |
| vi    | Mr. Rajiv Sikka               | Director Commercial (with effect from 25 May 2018)                       |
| vii   | Mr. Rajesh Agrawal            | Chief Financial Officer (till 31 July 2018)*                             |
| viii  | Mr. Rakesh Chawla             | Chief Financial Officer (with effect from 1 August 2018)*                |
| ix    | Mr. S.K. Jain                 | Company Secretary*   |
| x     | Mr Manoj Jain                 | Non-Executive Director (with effect from 1 April 2018 to 5 July 2018)    |
| xi    | Mr. S. Bairagi                | Non-Executive Director (with effect from 6 July 2018 to 13 January 2019) |
| xii   | Mr Rajendra Natekar Pushparaj | Non-Executive Director (with effect from 14 January 2019)                |
| xiii  | Ms Varsha Joshi               | Non-Executive Director   |
| xiv   | Mr Raghu Nayar                | Non-Executive, Independent Director (till 19 March 2019)                 |
| xv    | Ms Sudha Sharma               | Non-Executive, Independent Director (till 19 March 2019)                 |
| xvi   | Mr Sadashiv Srinivas Rao      | Non-Executive, Independent Director (till 15 October 2018)               |
| xvii  | Mr Santosh Kumar Bajpai       | Non-Executive, Independent Director (till 15 October 2018)               |
| xviii | Mr Ranganathan Venkataraman   | Non-Executive, Independent Director (till 15 October 2018)               |
| xix   | Mr Akhilesh Kumar Ambasht     | Non-Executive, Independent Director (with effect from 11 February 2019)  |
| xx    | Ms Saroj Bala                 | Non-Executive, Independent Director (with effect from 11 February 2019)  |
| xxi   | Mr R S Sahoo                  | Non-Executive, Independent Director (with effect from 11 February 2019)  |

\*Pursuant to Section 203 of the Companies Act, 2013

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business:

(Rs. in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>GAIL (India) Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas (including VAT)	2,800.96	2,126.65
Transportation charges	35.67	23.37
Sale of natural gas	3.21	2.81
Salaries, allowances and other related payments	0.99	1.42
Bonus (profit sharing)	0.15	0.15
Rent	-	0.05
Reimbursement of expenses	-	0.01
Road restoration charges	0.25	0.15
Other expenses	-	0.01
Advance paid for hooking up charges of shippers facilities	-	16.93
Operational Charges	0.16	-
Purchase of property, plant and equipment	-	1.94
Sale of property, plant and equipment	-	0.35
Reimbursement of advertisement expenses paid by Company	-	1.29
Security deposit refund received	-	0.41
Standby letter of credit/ bank guarantee issued/renewed	-	254.26
Net movement in standby letter of credit/ bank guarantee	(96.43)	-
Dividend paid	31.50	15.75
<i>Balance outstanding as at the year end:</i>		
Trade payables	123.98	39.34
Trade receivables	0.25	1.75
Security deposit paid	0.10	0.10
Bank guarantee/SBLC outstanding at the year end	157.83	254.26
Advance paid for hooking up of shippers facilities	11.48	16.93
<b>Bharat Petroleum Corporation Limited</b>		
<i>Transactions during the year:</i>		
Sale of CNG (gross)	432.16	322.56
Salaries, allowances and other related payments	0.95	0.69
Bonus (profit sharing)	0.15	0.15
Reimbursement of electricity expenses	16.00	13.37
Facility charges	17.04	14.13
Purchase of stock-in-trade of natural gas	324.42	237.85
Purchases of lubricants	0.86	0.34
Purchase of petrol/diesel (including unutilized)	0.17	0.11
Security deposit paid	0.01	0.01
Security deposit refund	0.01	-
Road restoration charges	-	0.01
Earnest Money Deposit received/(repaid)	(0.04)	0.04
Standby letter of credit/ bank guarantee issued/renewed	-	30.73
Net movement in standby letter of credit/ bank guarantee	(1.93)	-
Dividend paid	31.50	15.75





# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business: (Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<i>Balance outstanding as at the year end:</i>		
Trade payables	11.50	31.97
Trade receivables	18.20	15.07
Security deposit paid	0.01	0.01
Earnest Money Deposit received	-	0.04
Bank guarantee outstanding at the year end	28.80	30.73
Other advances	0.05	-
<b>Central U.P. Gas Limited</b>		
<i>Transactions during the year:</i>		
Dividend received	4.50	5.10
Sitting fees received	0.04	0.05
Security Deposit given	0.02	-
Security Deposit refund	0.02	-
Reimbursement of advertisement expenses paid by Company	-	0.65
<i>Balance outstanding as at the year end:</i>		
Trade receivable	-	0.65
<b>Maharashtra Natural Gas Limited</b>		
<i>Transactions during the year:</i>		
Dividend received	13.20	4.39
Sitting fees received	0.01	0.03
<b>GAIL Gas Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas	132.77	132.89
Reimbursement of advertisement expenses paid by Company	-	1.29
Standby letter of credit/ bank guarantee issued/renewed	-	8.46
<i>Balance outstanding as at the year end:</i>		
Trade payables	5.74	5.62
Trade receivable	-	1.29
Bank guarantees	8.46	8.46
<b>Petronet LNG Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas	44.82	0.75
Standby letter of credit/ bank guarantee issued/renewed	11.58	0.75
Net movement in standby letter of credit/ bank guarantee	-	(0.75)
<i>Balance outstanding as at the year end:</i>		
Trade payable	9.62	-
Bank guarantees	11.58	-
<b>Green Gas Limited</b>		
<i>Transactions during the year:</i>		
Reimbursement of advertisement expenses paid by Company	-	0.65
<i>Balance outstanding as at the year end:</i>		
Trade receivable	0.06	0.65
<b>Rajasthan State Gas Limited</b>		
<i>Transactions during the year:</i>		
Sale of traded goods	0.01	-

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business:(Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>Key managerial personnel:</b>		
<i>Transactions during the year:</i>		
Mr. E.S. Ranganathan : Direct reimbursements#	0.03	0.01
Mr. V. Nagarajan: Direct reimbursements#	0.02	0.06
Mr. Rajiv Sikka: Direct reimbursements#	0.05	-
Mr. Rajesh Agrawal (managerial remuneration)	0.74	0.85
Mr. Rakesh Chawla (managerial remuneration)	0.41	-
Mr. S.K. Jain (managerial remuneration)	0.72	0.58
Mr Raghu Nayar	0.14	0.12
Ms Sudha Sharma	0.14	0.11
Mr Sadashiv Srinivas Rao	0.09	0.14
Mr Santosh Kumar Bajpai	0.08	0.13
Mr Ranganathan Venkataraman	0.07	0.11
Mr Akhilesh Kumar Ambasht	0.02	-
Ms Saroj Bala	0.02	-
Mr. RS Sahoo	0.02	-

#Direct reimbursements made as per terms of employment/entitlements

## 44 Income-tax expense

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>(a) Income-tax expense</b>		
<i>Current tax</i>		
Current tax on profits for the year	370.31	316.94
<b>Total current tax expense</b>	370.31	316.94
<i>Deferred tax</i>		
(Increase)/ decrease in deferred tax assets	(4.27)	14.59
Increase in deferred tax liabilities	47.30	30.19
<b>Total deferred tax expense</b>	43.03	44.78
<b>Income tax expense reported in the statement of profit or loss</b>	<b>413.34</b>	<b>361.72</b>
<i>Deferred tax related to items recognised in OCI during the year</i>		
Net loss/(gain) on remeasurements of defined benefit plans	(0.50)	(0.09)
<b>Tax expense</b>	<b>412.84</b>	<b>361.63</b>



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Profit before income-tax expense	1,200.01	1,032.49
Tax at the Indian tax rate of 34.944% (2017-2018 – 34.608%)	419.33	357.32
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non deductible expenses	5.41	4.30
Effect of (allowances)/disallowances	(6.62)	1.32
Income exempt from tax	(6.19)	(4.76)
Others	0.91	3.45
<b>Income-tax expense</b>	<b>412.84</b>	<b>361.63</b>

## 45 Financial instruments by category

Particulars	(Rs. in Crores)			
	As at 31 March 2019		As at 31 March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Non current financial assets</b>				
Loans	-	11.47	-	8.37
Other financial assets	-	0.34	-	0.30
<b>Current financial assets</b>				
Investments	1,285.87	-	889.57	-
Trade receivable	-	221.48	-	226.14
Cash and cash equivalents	-	71.16	-	203.68
Bank balances other than cash and cash equivalents	-	535.93	-	354.35
Unbilled revenue	-	32.94	-	21.43
Interest accrued on fixed deposits	-	11.46	-	6.34
Security deposits with related parties and others	-	3.78	-	6.48
<b>Total financial assets</b>	<b>1,285.87</b>	<b>888.56</b>	<b>889.57</b>	<b>827.09</b>
<b>Non current financial liabilities</b>				
Security deposits	-	0.41	-	-
<b>Current financial liabilities</b>				
Trade payables	-	488.48	-	338.58
Security deposits from customers	-	649.27	-	544.65
Unclaimed dividends	-	0.86	-	0.56
Employee benefits payable	-	28.29	-	23.13
Creditors towards capital goods	-	295.80	-	224.19
Security deposits from vendors	-	3.54	-	5.17
<b>Total financial liabilities</b>	<b>-</b>	<b>1,466.65</b>	<b>-</b>	<b>1,136.28</b>

Note :

Investments in associates as at the close of the year ended 31 March 2019 and 31 March 2018 are carried at cost, per the exemption availed by the Company. Hence, the same has not been considered in the above table.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 46 Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2019 and 31 March 2018.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2018 and 31 March 2019 as follows:

	(Rs. in Crores)			
	Level 1	Level 2	Level 3	Total
<b>As at 31 March 2018</b>				
Investment in mutual funds	889.57	-	-	889.57
<b>Total</b>	<b>889.57</b>	-	-	<b>889.57</b>
<b>As at 31 March 2019</b>				
Investment in mutual funds	1,285.87	-	-	1,285.87
<b>Total</b>	<b>1,285.87</b>	-	-	<b>1,285.87</b>

The investments in mutual funds have been fair valued per net asset value (NAV) as at reporting date.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Security deposits received have not been fair valued as the same are repayable on demand, so there is no fixed term available for the purpose of discounting. Further, security deposits given have not been fair valued as the impact of the fair valuation is not material.

## 47 Financial risk management

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of the same in the financial statements.

### (i) Foreign currency risk

The Company is exposed to foreign exchange risk mainly through its purchases of capital items from overseas suppliers in various foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies to manage its risks.



## Standalone Summary of Significant Accounting Policies and Other Explanatory Information for the Year Ended 31 March 2019

The Company's foreign currency exposure on accounts payable that have not been hedged by a derivative instrument or otherwise are given below:

Currency	Year ended 31 March 2019		Year ended 31 March 2018	
	FC	(Rs. in crores)	FC	(Rs. in crores)
USD	324,230	2.24	4,86,212	3.16
EURO	1,26,771	0.99	90,221	0.73
		<b>3.23</b>		<b>3.89</b>

### Foreign currency sensitivity

There shall be no material impact on profit before tax due to 1% increase/decrease in foreign exchange rates.

### (ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date :

*Financial assets for which loss allowance is measured using 12 months expected credit losses:-*

Exposure to credit risk	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits (non-current)	11.47	8.37
Balance with banks in fixed deposits (under lien against bank guarantee)	0.30	0.30
Cash and cash equivalents (except cash on hand)	59.27	198.67
Other bank balances	535.93	354.35
Unbilled revenue	32.94	21.43
Interest accrued on fixed deposits	11.46	6.34
Security deposits with related parties and others	3.78	6.48
	<b>655.15</b>	<b>595.94</b>

*Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses*

Trade receivables	226.46	228.53
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An analysis of age of trade receivables at each statement of financial position date is summarized as follows:

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
upto 1 year	217.88	222.93
upto 2 years	3.29	1.73
upto 3 years	2.96	1.49
upto 4 years	1.04	1.19
upto 5 years	0.91	0.82
More than 5 years	0.38	0.37
	<b>226.46</b>	<b>228.53</b>

## Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

Expected credit loss

Particulars	As at 31 March 2019	As at 31 March 2018
upto 1 year	0%	0%
upto 2 years	14%	3%
upto 3 years	20%	8%
upto 4 years	36%	23%
upto 5 years	65%	50%
More than 5 years	100%	100%

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks. Further, security deposits paid includes payment made to government agencies which are considered low credit risk

### (iii) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each statement of financial position date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

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

As at 31 March 2019

Particulars	(Rs. in Crores)		
	Less than 1 year	More than 1 year	Total
Trade payables	488.48	-	488.48
Security deposits from customers	649.27	-	649.27
Unclaimed dividends	0.86	-	0.86
Security deposits from vendors	3.54	-	3.54
Employee payable	28.29	-	28.29
Creditor for capital goods	295.80	-	295.80
Security deposits	-	0.41	0.41
	<b>1,466.24</b>	<b>0.41</b>	<b>1,466.65</b>



# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

As at 31 March 2018

Particulars	(Rs. in Crores)		
	Less than 1 year	More than 1 year	Total
Trade payables	338.58	-	338.58
Security deposits from customers	544.65	-	544.65
Unclaimed dividends	0.56	-	0.56
Security deposits from vendors	5.17	-	5.17
Employee payable	23.13	-	23.13
Creditor for capital goods	224.19	-	224.19
	<b>1136.28</b>	<b>-</b>	<b>1136.28</b>

## (iv) Price risk

The Company is not exposed to sensitivity to price risk in regards to its financial assets and liabilities.

## (v) Interest risk

The Company's policy is to minimise interest rate cash flow risk exposures. The Company is exposed to the interest rate risk on fixed deposit and on the investment done by the Company in mutual funds. The exposure to the interest rate for the Company's mutual fund and fixed deposit is considered immaterial.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.50% (2017-18: +/-0.50%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	(Rs. in Crores)			
	Profit for the year		Equity	
	0.50%	0.50%	0.50%	0.50%
<b>31 March 2019</b>	9.24	(9.24)	6.01	(6.01)
<b>31 March 2018</b>	7.05	(7.05)	4.61	(4.61)

## 48 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as going concern; and
- to provide an adequate return to stakeholders

For the purpose of Company's capital management, capital includes issued equity capital. The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, less cash and cash equivalents.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## 48 Capital management (Contd..)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Borrowings	-	-
Less: Cash and cash equivalents	(71.16)	(203.68)
Borrowings (net of cash and cash equivalents)	-	-
Capital employed	4,129.85	3,512.90
<b>Total capital employed</b>	<b>4,129.85</b>	<b>3,512.90</b>
Gearing ratio	0%	0%

## 49 Capital and other commitments

### (a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Property, plant and equipment	1,469.80	366.21
	<b>1,469.80</b>	<b>366.21</b>

### (b) Other commitments

The Company has entered into long-term agreements for purchase of natural gas upto maximum quantity of 0.58 million standard cubic meters (SCM)/ day (Rs. 1.78 crores per day based on average rates prevailing on March 2019) till 2028 with different suppliers. These agreements have 'take or pay' clause which shall be applicable in case gas off take is less than the contractual quantity as defined in the agreement and the same can be adjusted against make up quantity to be taken in the subsequent years. As at the balance sheet date, the management does not foresee any liability on account of the said obligation.

## 50 Earnings per share

Particulars	Units	Year ended 31 March 2019	Year ended 31 March 2018
Net profit attributable to shareholders	Rs. crores	786.67	670.77
Weighted average number of equity shares	No. in crores	70.00	70.00
Nominal value per share	Rs.	2.00	2.00
Basic earning per share of Rs.2 each	Rs.	11.24	9.58

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.





# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

- 51 The Company has adopted Ind AS 115 “Revenue from Contracts with Customers” from 01 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in Ind AS 115, the Company has adopted full retrospective approach. Pursuant to change in accounting policy, revenue from operations have been disclosed net of facility charges. Such expenses were earlier grouped under ‘other expenses’ in accordance with the requirements of Ind AS 18 upto 31 March 2018. However, there is no impact on the retained earnings as at 01 April 2017 and for the profit for the year ended 31 March 2018

The impact of the change in accounting policy on the comparative figures has been given as below:

(Rs. in Crores)			
Statement of profit and loss (extract) for the year ended 31 March 2019	Pre-adoption of Ind As 115	Increase / (decrease)	Post-adoption of Ind As 115
Revenue from operations	6,434.96	(73.09)	6,361.87
<b>Total income</b>	6,434.96	(73.09)	6,361.87
<b>Expenses</b>			
Other expenses	1,041.08	(73.09)	967.99
<b>Total expenses</b>	1,041.08	(73.09)	967.99

(Rs. in Crores)			
Statement of profit and loss (extract) for the year ended 31 March 2018	As originally presented	Increase / (decrease)	Restated
Revenue from operations	5,073.65	(58.75)	5,014.90
<b>Total income</b>	5,073.65	(58.75)	5,014.90
<b>Expenses</b>			
Other expenses	881.34	(58.75)	822.59
<b>Total expenses</b>	881.34	(58.75)	822.59

There is no impact on the Earning per share (EPS) as result on the adoption of aforementioned adjustment of Ind AS 115.

## Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(Rs. in Crores)		
Particulars	As at 31 March 2019	As at 31 March 2018
<b>Contract assets</b>		
Unbilled revenue	32.94	21.43
<b>Total contract assets</b>	<b>32.94</b>	<b>21.43</b>
<b>Contract liabilities</b>		
Excess payments received from customers	23.72	16.57
Advance from customers	6.31	3.79
<b>Total contract liabilities</b>	<b>30.03</b>	<b>20.36</b>
<b>Receivables</b>		
Trade receivables	221.48	226.14
<b>Net receivables</b>	<b>221.48</b>	<b>226.14</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

# Standalone Summary of Significant Accounting Policies and Other Explanatory Information

for the Year Ended 31 March 2019

## Adoption of Ind AS 115 (continued)

### a) Significant changes in contract assets and liabilities

There has been no significant changes in Contract assets during the year

Particulars	(Rs. in Crores)			
	As at 31 March 2019		As at 31 March 2018	
	Contract liabilities		Contract liabilities	
	Excess payments received from customers	Advance from customers	Excess payments received from customers	Advance from customers
<b>Opening balance</b>	16.57	3.79	15.19	-
Add: Addition during the year	16.11	6.31	8.12	3.79
Less: Revenue recognised during the year from opening liability	8.96	3.79	6.74	-
<b>Closing balance</b>	<b>23.72</b>	<b>6.31</b>	<b>16.57</b>	<b>3.79</b>

**52** The Company is primarily engaged in the business of providing natural gas. Hence, as per the chief operating decision maker the sale of natural gas has been considered as a single operating segment per Ind AS 108 'Operating Segment' and accordingly disclosures have been limited to single operating segment.

**53** In the previous year, the Company had finalized negotiations with the Oil Marketing Companies (OMCs) for the trade margin and facility charges pertaining to Delhi (from 1 April 2015 to 31 March 2018) and Uttar Pradesh (from 1 April 2015 to 31 March 2019) and accordingly, an amount of Rs. 15.92 crores and Rs. 0.30 crores pertaining to previous years had been written back from the respective heads. Further, during the current year ended 31 March 2019, in the absence of the agreement effective 1 April 2018 for the Delhi region, an additional amount of Rs. 4.90 crores has been provided in the books of account towards estimated revision in trade margin and facility charges payable to the OMCs.

### 54 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2019 and the date of authorisation of the Company's standalone financial statements. However, the Board of Directors have recommended a final dividend of 120% i.e. Rs. 2.40 (previous year Rs. 2.00) on equity shares of Rs. 2 (previous year Rs. 2) each for the year ended 31 March 2019, subject to approval of shareholders at the ensuing annual general meeting.

**55** The standalone financial statements for the year ended 31 March 2019 were approved by the Board of Directors on 24 May 2019.

### Significant accounting policies and other explanatory information forming part of the standalone financial statements (1-55)

In terms of our report attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Place: New Delhi  
Date: 24 May 2019

For and on behalf of board of directors

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Sd/-  
**S.K. Jain**  
Company Secretary



## **Comments of the Comptroller and Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Indraprastha Gas Limited for the year ended 31 March 2019.**

The preparation of financial statements of Indraprastha Gas Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indraprastha Gas Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-

**(Prachi Pandey)**

Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-II,  
New Delhi.

Place: New Delhi  
Delhi:14.8.2019

# Independent Auditor's Report

To  
The Members of  
**Indraprastha Gas Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of Indraprastha Gas Limited (the 'Company') and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of one associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Company as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matter

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



5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Demand raised by Delhi Development Authority ('DDA')</b></p> <p>Refer note 3.21 for the accounting policy and note 36(1)(c) for the related disclosure.</p> <p>As explained in the note 36(1)(c) to the accompanying consolidated financial statements; the Company had received a demand from DDA amounting to Rs. 155.64 crores during financial year 2013-14 pertaining to the period 1 April 2007 to 31 March 2014 on account of increase in license fees in respect of sites taken on lease by the Company from DDA for setting up Compressed Natural Gas (CNG) stations in Delhi. The Company had filed a writ petition on 11 October 2013 before the Hon'ble High Court of Delhi against the aforesaid demand raised by DDA which is currently pending. Further, DDA vide communication dated 29 August 2016 had revised the total demand to Rs. 330.73 crores for the period upto 31 March 2016.</p> <p>The management of the Company, based on legal opinion obtained by them, have assessed the same as contingent and accordingly not provided for the demand raised by DDA in these consolidated financial statements.</p> <p>We identified this as key audit matter for current year audit owing to the materiality of the amounts involved in this matter and inherent subjectivity and uncertainty involved in determination of the amount, if any, to be provided as liability in accordance with the applicable accounting standards.</p>	<p>Our audit procedures in relation to the aforesaid matter included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of, and tested key controls in respect of litigations and contingent liabilities;</li> <li>• Obtained the Company's evaluation of the said matter supported by the external legal opinion obtained by the management in the year ended 31 March 2019;</li> <li>• Discussed the said matter with the in-house legal general counsel of the Company;</li> <li>• Conducted in-depth inquiries with the management of the Company and robust discussions with the Board, to obtain their view on the status of the aforesaid matter;</li> <li>• Circulated and obtained confirmation from the legal counsel representing the Company as at year end; and</li> <li>• Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards.</li> </ul>

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors of the Company and its associates are responsible for maintenance of adequate accounting

records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the financial reporting process of the Company and of its associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its associates have adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

15. The consolidated financial statements also include the Company's share of net profit (including other comprehensive income) of Rs. 26.07 crores for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

16. The consolidated financial statements also include the Company's share of net profit (including other comprehensive income) of Rs. 60.90 crores for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matter identified and disclosed under key audit matter section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Company.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

### Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of the associate, we report that the Company and one associate company paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, as stated in paragraph 16, financial statements of one associate company are unaudited and have been furnished to us by the management, and as certified by the management, such company has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the associate, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor;
  - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

- e) Ms. Varsha Joshi, the director of the Company as on 31 March 2019, has not provided a written representation as to whether any company in which she is a director as on 31 March 2019 had not defaulted in terms of sub-section (2) of the section 164 of the Act. In the absence of this representation, we are unable to comment whether she is disqualified from being appointed as a director under sub-section (2) of section 164 of the Act. However, she has vacated office as a director of the Company with effect from 23 May 2019. As far as other directors are concerned, on the basis of the written representations received from such directors and taken on record by the Board of Directors of the Company and the report of the other statutory auditor of its associate company, we report that none of the other directors of the Company and its associate company, are disqualified as on 31 March 2019 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 one of its associate company and the operating effectiveness of such controls, refer to our separate report in Annexure A; and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the associate:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associate as detailed in Note 36(1) to the consolidated financial statements;
  - ii. The Company and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate company during the year ended 31 March 2019; and
  - iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No.: 058644

Place: New Delhi  
Date: 24 May 2019





# Annexure A to the Independent Auditor's Report of even date to the members of IGL to the Consolidated Financial Statement for the year ended 31 March 2019

## Annexure A

### Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the consolidated financial statements of Indraprastha Gas Limited (the 'Company') and one of its associates, as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company and its associate company, as at that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Company and its associate company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Company and one of its associate company, as aforesaid.

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion and based on the consideration of the report of the other auditor on IFCoFR of the associate company, the Company and its associate company, have, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company and its associate company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matter

9. The consolidated financial statements include the Company's share of net profit (including other comprehensive income) of Rs. 26.07 crores for the year ended 31 March 2019, in respect of one associate company, whose IFCoFR has not been audited by us. The IFCoFR in so far as it relates to such associate company has been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Company and its associate company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such associate company, is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this above matter with respect to our reliance on the work done by and the report of the other auditor.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No.: 058644

Place: New Delhi

Date: 24 May 2019



# Consolidated Balance Sheet

As at 31 March 2019

Particulars	Note	(Rs. in Crores)	
		As at 31 March 2019	As at 31 March 2018
<b>A Assets</b>			
<b>1 Non-current assets</b>			
a) Property, plant and equipment	4	2,855.30	2,415.55
b) Capital work-in-progress	4	478.08	386.02
c) Other intangible assets	4	21.55	16.48
d) Investments accounted for using the equity method	5	492.07	426.43
e) Financial assets			
(i) Loans	6	11.47	8.37
(ii) Other financial assets	7	0.34	0.30
e) Income-tax assets (net)	8	15.03	15.03
f) Other non-current assets	9	67.08	45.70
<b>Total non-current assets</b>		<b>3,940.92</b>	<b>3,313.88</b>
<b>2 Current assets</b>			
a) Inventories	10	50.94	52.37
b) Financial assets			
(i) Investments	11	1,285.87	889.57
(ii) Trade receivables	12	221.48	226.14
(iii) Cash and cash equivalents	13	71.16	203.68
(iv) Bank balances other than (iii) above	14	535.93	354.35
(v) Loans	15	3.78	6.48
(vi) Other financial assets	16	44.40	27.77
c) Other current assets	17	28.81	22.23
<b>Total current assets</b>		<b>2,242.37</b>	<b>1,782.59</b>
<b>Total assets</b>		<b>6,183.29</b>	<b>5,096.47</b>
<b>B Equity and liabilities</b>			
<b>1 Equity</b>			
a) Equity share capital	18	140.00	140.00
b) Other equity	19	4,175.71	3,506.95
<b>Total equity</b>		<b>4,315.71</b>	<b>3,646.95</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Other financial liabilities (other than those specified in item (b))	20	0.41	-
b) Provisions	21	19.55	12.83
c) Deferred tax liabilities (net)	22	315.93	259.57
d) Other non-current liabilities	23	0.97	0.81
<b>Total non-current liabilities</b>		<b>336.86</b>	<b>273.21</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Trade payables	24		
(A) total outstanding dues of micro enterprises and small enterprises; and		41.11	19.14
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		447.37	319.44
(ii) Other financial liabilities [other than those specified in item (c)]	25	977.76	797.70
b) Other current liabilities	26	61.66	39.12
c) Provisions	27	1.03	0.91
d) Current tax liabilities (net)	28	1.79	-
<b>Total current liabilities</b>		<b>1,530.72</b>	<b>1,176.31</b>
<b>Total liabilities</b>		<b>1,867.58</b>	<b>1,449.52</b>
<b>Total equity and liabilities</b>		<b>6,183.29</b>	<b>5,096.47</b>

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-55)

In terms of our report attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Place: New Delhi  
Date: 24 May 2019

For and on behalf of Board of Directors

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Sd/-  
**S.K. Jain**  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2019

(Rs. in Crores)

Particulars	Note	Year ended 31 March 2019	Year ended 31 March 2018
1 Revenue from operations	29	6,361.87	5,014.90
2 Other income	30	128.45	90.56
<b>3 Total income (1 + 2)</b>		<b>6,490.32</b>	<b>5,105.46</b>
<b>4 Expenses:</b>			
(a) Purchases of stock-in-trade of natural gas	31	3,397.89	2,491.81
(b) Changes in inventories of stock-in-trade of natural gas	32	(0.57)	(0.40)
(c) Excise duty		597.03	479.43
(d) Employee benefits expense	33	142.55	106.05
(e) Finance costs	34	2.05	1.69
(f) Depreciation and amortisation expenses	4	201.07	181.29
(g) Other expenses	35	967.99	821.54
<b>Total expenses (4)</b>		<b>5,308.01</b>	<b>4,081.41</b>
<b>5 Profit before tax and share of profit of associates (3 - 4)</b>		<b>1,182.31</b>	<b>1,024.05</b>
6 Share of profit of associates		86.96	71.89
<b>7 Profit before tax (5+6)</b>		<b>1,269.27</b>	<b>1,095.94</b>
8 Tax expense:	44		
(a) Current tax		370.31	316.94
(b) Deferred tax		56.86	57.28
<b>Total tax expenses</b>		<b>427.17</b>	<b>374.22</b>
<b>9 Profit for the year (7 - 8)</b>		<b>842.10</b>	<b>721.72</b>
10 Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Re-measurement of post employment benefit obligations		(1.44)	(0.27)
(ii) Share of other comprehensive income of associates		0.01	(0.15)
(iii) Income-tax relating to re-measurement of post employment benefit obligations		0.50	0.09
(iv) Income-tax relating to share of other comprehensive income of associates		-	0.05
<b>Other comprehensive income for the year, net of tax</b>		<b>(0.93)</b>	<b>(0.28)</b>
<b>11 Total comprehensive income for the year (9+10) (comprising profit and other comprehensive income for the year)</b>		<b>841.17</b>	<b>721.44</b>
12 Earnings per equity share: (face value of Rs. 2 per share)	50		
Basic and diluted (in Rs.)		12.03	10.31

## Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-55)

In terms of our report attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No. 058644

For and on behalf of Board of Directors

Sd/-

**E. S. Ranganathan**

Managing Director

(DIN 07417640)

Sd/-

**Rakesh Chawla**

Chief Financial Officer

Sd/-

**Rajiv Sikka**

Director (Commercial)

(DIN 06819112)

Sd/-

**S.K. Jain**

Company Secretary

Place: New Delhi

Date: 24 May 2019



# Consolidated Statement of Changes in Equity

for the year ended 31 March 2019

## A) Equity share capital

Particulars	Note	Number in crores	Rs. in crores
Balance as at 1 April 2017	18	14.00	140.00
Changes in equity share capital during the year		-	-
<b>Balance as at 31 March 2018</b>	18	<b>70.00*</b>	<b>140.00</b>
Changes in equity share capital during the year		-	-
<b>Balance as at 31 March 2019</b>	18	<b>70.00</b>	<b>140.00</b>

\*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of Rs. 10 into five equity shares having a face value of Rs. 2 each. Consequently, the total number of equity shares of the Company increased to 70,00,00,800 shares of Rs. 2 each.

## B) Other equity

(Rs. in Crores)

Particulars	Note	Reserves and surplus		Total
		General reserve	Retained earnings	
Balance as at 1 April 2017	19	303.50	2,568.19	2,871.69
Dividends paid (including dividend distribution tax)		-	(84.25)	(84.25)
Transactions with owners in their capacity as owners		-	(84.25)	(84.25)
Profit for the year		-	721.72	721.72
Other comprehensive income				
Re-measurement of post employment benefit obligations (net of tax)		-	(0.28)	(0.28)
Corporate dividend tax of associates			(1.93)	(1.93)
<b>Balance as at 31 March 2018</b>	19	<b>303.50</b>	<b>3,203.45</b>	<b>3,506.95</b>
Dividends paid (including dividend distribution tax)		-	(168.78)	(168.78)
Transactions with owners in their capacity as owners		-	(168.78)	(168.78)
Profit for the year		-	842.10	842.10
Other comprehensive income				
Re-measurement of post employment benefit obligations (net of tax)		-	(0.93)	(0.93)
Corporate dividend tax of associates			(3.63)	(3.63)
<b>Balance as at 31 March 2019</b>	19	<b>303.50</b>	<b>3,872.21</b>	<b>4,175.71</b>

### Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-55)

In terms of our report attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Place: New Delhi  
Date: 24 May 2019

For and on behalf of Board of Directors

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Sd/-  
**S.K. Jain**  
Company Secretary

# Consolidated Cash Flow Statement

for the year ended 31 March 2019

(Rs. in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>A. Cash flow from operating activities:</b>		
Profit before tax	1,269.27	1,095.94
<i>Adjustments for:</i>		
- Depreciation and amortisation expense	201.07	181.29
- Unrealised foreign exchange (gain)	(0.10)	(0.07)
- Loss on property, plant and equipment sold or discarded (net)	2.04	9.61
- Allowances for expected credit losses	2.59	(0.08)
- Provision for obsolete and slow moving stores and spares (written back)	(0.02)	(1.15)
- Provision for obsolete and slow moving capital work-in-progress	(0.33)	1.07
- Liabilities/provisions no longer required, written back	(0.10)	(0.21)
- Finance costs	0.98	0.11
- Interest income on term deposits with banks	(36.39)	(21.89)
- Income from investment in mutual funds	(88.79)	(65.75)
- Allowances for expected credit losses no longer required, written back	(1.50)	(1.50)
- Share of profit of associates	(86.96)	(71.89)
<b>Operating profit before working capital changes</b>	<b>1,261.76</b>	<b>1,125.48</b>
<i>Changes in working capital:</i>		
Adjustments for (increase)/decrease		
- Financial assets	(10.45)	(8.17)
- Other assets	(15.29)	(18.10)
- Inventories	1.45	0.50
- Trade receivables	2.07	(24.66)
Adjustments for increase/ (decrease)		
- Other liabilities	22.70	9.68
- Other financial liabilities	108.56	67.61
- Trade payables	149.73	64.78
- Provisions	5.40	(7.54)
Cash generated from operations (gross)	1,525.93	1,209.58
Less: income-tax paid (net)	(368.78)	(330.25)
<b>Net cash flow from operating activities (A)</b>	<b>1,157.15</b>	<b>879.33</b>
<b>B. Cash flow from investing activities:</b>		
- Payment for purchase of property, plant and equipment, other intangible assets and capital work-in-progress including capital advances and payable towards property plant and equipment	(680.72)	(469.88)
- Proceeds from sale of property, plant and equipment	-	0.04
- (Investment) in bank deposits with maturity more than three months	(2,183.64)	(579.76)
- Maturity of bank deposits with maturity more than three months	2005.28	712.25
- Movement in restricted bank balance	(3.22)	(3.82)
- (Investment) in mutual funds	(9,626.86)	(6,304.12)
- Proceeds from sale of mutual funds	9,319.35	5,832.42
- Interest income on term deposits with banks	31.27	20.64
- Income received from investment in mutual funds	-	65.75
- Dividend received from associates	17.70	9.49
<b>Net cash flow used in investing activities (B)</b>	<b>(1,120.84)</b>	<b>(716.99)</b>



# Consolidated Cash Flow Statement

for the year ended 31 March 2019

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>C. Cash flow from financing activities:</b>		
- Dividend and dividend distribution tax paid	(168.48)	(84.23)
- Interest paid	(0.35)	-
<b>Net cash flow used in financing activities (C)</b>	<b>(168.83)</b>	<b>(84.23)</b>
D. Net (decrease)/increase in cash and cash equivalents (A+B+C)	(132.52)	78.11
E. Cash and cash equivalents as at the beginning of the year	203.68	125.57
<b>F. Cash and cash equivalents as at the end of the year</b>	<b>71.16</b>	<b>203.68</b>
<b>G. Cash and cash equivalents at the end of the year (refer note 13)</b>		
i. Balances with banks in current accounts	25.88	29.07
ii. Cash on hand	11.89	5.01
iii. Balances with banks in fixed deposits with maturity of less than three months	33.39	169.60
	<b>71.16</b>	<b>203.68</b>

Note: Disclosure requirement as per Ind AS 7 (amended), Statement of Cash Flow, related to changes in liabilities arising from financing activity is not applicable to the Company.

## Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-55)

In terms of our report attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No. 001076N/N500013

For and on behalf of Board of Directors

Sd/-  
**Rajni Mundra**  
Partner  
Membership No. 058644

Sd/-  
**E. S. Ranganathan**  
Managing Director  
(DIN 07417640)

Sd/-  
**Rajiv Sikka**  
Director (Commercial)  
(DIN 06819112)

Place: New Delhi  
Date: 24 May 2019

Sd/-  
**Rakesh Chawla**  
Chief Financial Officer

Sd/-  
**S.K. Jain**  
Company Secretary

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 1 Corporate information

Indraprastha Gas Limited (the 'Company') or 'IGL' is a Company limited by shares domiciled in India and was incorporated on 23 December 1998 under the erstwhile Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office is located at IGL Bhawan, Plot No.4, Community Centre, Sector 9, R.K. Puram, New Delhi -110022. IGL is in the business of city gas distribution presently operating in the National Capital Territory of Delhi including adjoining areas of Noida, Greater Noida, Ghaziabad, Gurugram, Meerut (except area already authorised), Shamli, Muzaffarnagar, Karnal and Rewari. The Company has two associates namely, Central U.P. Gas Limited and Maharashtra Natural Gas Limited which are engaged in the business similar to that of the Company.

## 2 Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorized have been considered in preparing these consolidated financial statements.

### 2.1 Standards issued but not yet effective

On 30 March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effective date for adoption is financial periods beginning on or after 1 April 2019.

#### 2.1.1 Ind AS 116 – Leases

On 30 March 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee

will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

#### 2.1.2 Amendment to Ind AS 12, Income taxes

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

#### 2.1.3 Amendment to Ind AS 19, Employee benefits

On 30 March 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the consolidated financial statements.





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 2.1.4 Amendment to Ind AS 109, Financial instruments

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

## 2.1.5 Amendment to Ind AS 23, Borrowing costs

On 30 March 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April 2019. The Company is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

## 3 Significant accounting policies and other explanatory information

### 3.1 General information and statement of compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements of the Company have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements of the Company for the year ended 31 March 2019 were approved and authorised for issue by the Board of Directors on 24 May 2019 (refer note 55).

### 3.2 Overall considerations

These consolidated financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in the consolidated financial statements.

### 3.3 Basis of consolidation

The Company consolidates the standalone financial statements of the Company with its associates as mentioned below:

- a) Central U.P. Gas Limited
- b) Maharashtra Natural Gas Limited

### 3.4 Investment in associates

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 3.20 below.

## 3.5 Historical cost convention

These consolidated financial statements have been prepared on a historical cost convention except where certain financial assets and liabilities have been measured at fair value.

## 3.6 Revenue recognition

### (i) Sale of natural gas

Revenue from the contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Sales, as disclosed, are inclusive of excise but are net of trade allowances, rebates, vat and amounts collected on behalf of third parties.

The Company earns revenues primarily from sale of natural gas. Revenue is recognized on supply of gas to customers by metered/assessed measurements. The Company has concluded that it is the principal in all its revenue arrangements since it is primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risk.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). No element of financing is deemed present as the credit term is not more than one year.

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of

consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines 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. A receivable is recognized where the Company's right to consideration is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

### (ii) Interest and dividend income

Interest income is reported on an accrual basis using the effective interest method. Dividends are recognised at the time the right to receive payment is established.

## 3.7 Inventories

### (i) Inventory of stock-in-trade of natural gas

Inventory of stock-in-trade of natural gas in pipelines and cascades is valued at the lower of cost computed on First in First out (FIFO) basis and net realisable value. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventory to its present location and condition.

### (ii) Inventory of stores and spares

Stores and spares are valued at lower of cost computed on weighted average basis and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 3.8 Foreign currency transactions and translations

### i. Initial recognition

The Company's consolidated financial statements are presented in Indian Rupee ('INR'), which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

### ii. Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

### iii. Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

## 3.9 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

### Company as the lessor

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

### Company as the lessee

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on straight line basis unless the payments are structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases.

## 3.10 Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

### Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

### Defined benefit plans

The liability or asset recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

## Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

## Long-term employee benefits

Compensated absences which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to statement of profit and loss in the period in which they occur. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

## 3.11 Taxes on income

Tax expense comprises current tax and deferred tax. Current tax is the amount of the tax for the period determined in accordance with the Income-tax Act, 1961. Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the end of the

reporting period. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in Other comprehensive income or in equity). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Such assets are reviewed at each balance sheet date to reassess realisation. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss, in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income-tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 3.12 Operating cycle

Based on the nature of products/activities of the Company and the normal time between purchase of natural gas and their realisation in cash or cash equivalents, the Company has determined its operation cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 3.13 Operating expenses

Operating expenses are recognised in consolidated statement of profit or loss upon utilisation of the service or as incurred.

## 3.14 (a) Property, plant and equipment

- i. Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.
- ii. Property, plant and equipment are stated at their original cost including freight, duties, taxes and



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

other incidental expenses relating to acquisition and installation.

- iii. Gas distribution systems are commissioned when ready for commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.
- iv. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.
- v. Stores and spares which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalised as property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognised the new part with its own estimated useful life and it is depreciated accordingly. Likewise, when a major overhauling/ repair is performed, its cost is recognised in the carrying amount of respective assets if the recognition criteria are satisfied and depreciated over remaining useful life of asset or over the period of next overhauling due, whichever is earlier. All other repair and maintenance costs are recognised in the statement of profit and loss as and when incurred.

## (b) Other intangible assets

Other intangible assets comprise of computer software/licenses. Such assets acquired by the Company are initially measured at cost. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and accumulated impairment loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits will flow to the Company.

## (c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress also includes assets pending installation and not available for intended use.

### 3.15 Depreciation and amortisation

Depreciation is charged on a pro-rata basis on the straight line method ('SLM') at rates prescribed in Schedule II to the Companies Act, 2013 which are in line with their estimated useful life, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.:

A	Asset class	Depreciation
	<b>Property, plant and equipment</b>	
-	Mother compressors, online compressors and Booster compressors (forming part of plant and equipment)	10 years
-	Pipeline (forming part of plant and equipment)	25 years
-	Signages (forming part of buildings)	10 years
-	Machinery spares	5 years

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Overhauling cost is depreciated over the remaining life of the respective asset or over the period till the next overhauling date, whichever is earlier.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## B. Other intangible assets

Intangible assets comprising software and licenses are amortised on straight line method (SLM) over the useful life of five years, which represents the management's assessment of economic useful life of the other intangible assets.

Amortisation method, useful lives and residual values are reviewed at each financial year - end and adjusted prospectively, if appropriate.

### 3.16 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents also include short-term (with 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 an insignificant risk of change in value.

### 3.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals 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.

### 3.18 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 3.19 Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

### 3.20 Impairment of property, plant and equipment, other intangible assets and investments in associates

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

### 3.21 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material. Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

## 3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 52.

## 3.23 Fair value measurement

The Company measures financial instruments such as investments in mutual funds, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated 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.

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.

## 3.24 Financial instruments

### I. Financial assets

#### a. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

#### b. Subsequent measurement

##### (i) Financial assets carried at amortised cost

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

##### (ii) Financial assets at fair value through other comprehensive income (FVTOCI)

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

##### (iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through the statement of profit and loss.

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47 details how the Company determines whether there has been a significant increase in credit risk.

## d. Derecognition of financial assets

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## II. Financial liabilities

### Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

### III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

### IV. Offsetting of financial instruments

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

### 3.25 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## Estimates and assumptions

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. The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions as and when they occur.

### (i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### (ii) Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in these financial statements.

### (iii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain property, plant and equipment.

### (iv) Impairment of trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### (v) Fair value measurement

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 46).

### (vi) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 4 Property, plant and equipment, capital work-in-progress and other intangible assets

Particulars	Property, plant and equipment										Total	Other intangible assets Computer software/ licenses	Capital work-in-progress (refer note 4.3 and 4.4)	
	Freehold land	Land on perpetual lease (refer note 4.1)	Buildings (refer note 4.2)	Plant and equipment	Furniture and fixtures	Vehicles	Data processing equipment	Total		Capital work-in-progress				
								Rs. in Crores	Rs. in Crores					
<b>Gross block</b>														
Balance as at 1 April 2017	19.92	16.98	348.18	1,967.19	13.09	7.65	6.18	2,379.19	20.43	351.79				
Additions	1.18	-	59.47	427.92	3.27	0.17	6.26	498.27	7.55	492.89				
Disposals/ adjustments	-	-	10.04	5.06	0.77	0.09	0.90	16.86	-	458.66				
<b>Balance as at 31 March 2018</b>	<b>21.10</b>	<b>16.98</b>	<b>397.61</b>	<b>2,390.05</b>	<b>15.59</b>	<b>7.73</b>	<b>11.54</b>	<b>2,860.60</b>	<b>27.98</b>	<b>386.02</b>				
Additions	7.05	-	23.41	596.22	1.49	4.33	4.34	636.84	11.09	685.30				
Disposals/ adjustments	-	-	1.67	15.53	0.09	0.01	0.80	18.10	-	593.24				
<b>Balance as at 31 March 2019</b>	<b>28.15</b>	<b>16.98</b>	<b>419.35</b>	<b>2,970.74</b>	<b>16.99</b>	<b>12.05</b>	<b>15.08</b>	<b>3,479.34</b>	<b>39.07</b>	<b>478.08</b>				
<b>Accumulated depreciation and amortisation</b>														
Balance as at 1 April 2017	-	-	31.45	238.09	3.29	1.54	1.64	276.01	6.46	-				
Depreciation and amortisation charge for the year	-	-	18.16	152.92	1.64	1.02	2.51	176.25	5.04	-				
Disposals	-	-	2.19	3.30	0.74	0.09	0.89	7.21	-	-				
<b>Balance as at 31 March 2018</b>	<b>-</b>	<b>-</b>	<b>47.42</b>	<b>387.71</b>	<b>4.19</b>	<b>2.47</b>	<b>3.26</b>	<b>445.05</b>	<b>11.50</b>	<b>-</b>				
Depreciation and amortisation charge for the year	-	-	19.13	169.57	1.80	1.16	3.39	195.05	6.02	-				
Disposals	-	-	1.63	13.64	-	-	0.79	16.06	-	-				
<b>Balance as at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>64.92</b>	<b>543.64</b>	<b>5.99</b>	<b>3.63</b>	<b>5.86</b>	<b>624.04</b>	<b>17.52</b>	<b>-</b>				
<b>Net block as at 31 March 2018</b>	<b>21.10</b>	<b>16.98</b>	<b>350.19</b>	<b>2,002.34</b>	<b>11.40</b>	<b>5.26</b>	<b>8.28</b>	<b>2,415.55</b>	<b>16.48</b>	<b>386.02</b>				
<b>Net block as at 31 March 2019</b>	<b>28.15</b>	<b>16.98</b>	<b>354.43</b>	<b>2,427.10</b>	<b>11.00</b>	<b>8.42</b>	<b>9.22</b>	<b>2,855.30</b>	<b>21.55</b>	<b>478.08</b>				

### Notes:

- Gross block of land on perpetual lease includes land amounting to Rs. 16.98 crores (previous year: Rs. 16.98 crores) obtained on lease from local authorities under licensing arrangement and pending execution of the related lease agreements.
- Buildings include buildings which have been constructed on land acquired on lease from various Government Authorities. (refer note 38).
- The expenditure incidental to setting up of project is included in capital work-in-progress (CWIP) which is apportioned to the property, plant and equipment on completion of project. The Company has capitalised salary, wages and bonus amounting to Rs. 7.68 crores (previous year Rs. 6.28 crores) to the cost of property, plant and equipment /capital work-in-progress.
- Capital work-in-progress has been netted off by Rs. 1.57 crores towards provision for obsolete and slow moving capital work-in-progress (previous year Rs.1.90 crores).



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 5 Non-current financial assets- investments

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
<b>Investments in equity instruments (measured at cost)</b>		
<b>Trade (unquoted)</b>		
Investments in associates accounted for using equity method:		
(a) Central U.P. Gas Limited (incorporated in India, operating in cities of Kanpur and Bareilly)		
Proportion of Company's ownership	50%	50%
3,00,00,000 (31 March 2018: 3,00,00,000) equity shares of Rs. 10 each fully paid up in Central U.P. Gas Limited	152.38	131.74
(b) Maharashtra Natural Gas Limited (incorporated in India, operating in city of Pune and adjoining areas)		
Proportion of Company's ownership	50%	50%
5,00,00,000 (31 March 2018: 5,00,00,000) equity shares of Rs. 10 each fully paid up in Maharashtra Natural Gas Limited	339.69	294.69
	<b>492.07</b>	<b>426.43</b>
Aggregate amount of carrying value of unquoted investments	492.07	426.43

Summarised aggregated financial information of the Company's share in these associates:

### 5.1 Central U.P. Gas Limited (incorporated in India)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Non current assets	280.19	205.78
Current assets	80.04	103.50
Non current liabilities	(18.21)	(14.78)
Current liabilities	(60.01)	(53.78)
Net assets	282.01	240.72
Proportion of the Company's ownership	50%	50%
Company's share of net assets	141.00	120.36
Add: Goodwill	11.38	11.38
<b>Carrying amount of interest in associates</b>	<b>152.38</b>	<b>131.74</b>

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Revenue	328.03	268.79
Profit	52.11	46.10
Other comprehensive income	0.01	(0.27)
Total comprehensive income	52.12	45.83
Company's share of profit	26.06	23.05
Company's share of other comprehensive income	0.01	(0.14)
<b>Company's share of total comprehensive income</b>	<b>26.07</b>	<b>22.91</b>

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

### 5.2 Maharashtra Natural Gas Limited (incorporated in India)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Non current assets	898.61	786.99
Current assets	215.68	108.18
Non current liabilities	(420.71)	(246.47)
Current liabilities	(184.19)	(229.31)
Net assets	509.39	419.39
Proportion of the Company's ownership	50%	50%
Company's share of net assets	254.70	209.70
Add: Goodwill	81.32	81.32
Add: Impact of change in accounting policy	1.82	1.82
Add: Preacquisition dividend	1.52	1.52
Add: Corporate dividend tax on preacquisition dividend	0.33	0.33
<b>Carrying amount of interest in associates</b>	<b>339.69</b>	<b>294.69</b>

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Revenue	902.32	660.64
Profit	121.81	97.69
Other comprehensive income	-	0.07
Total comprehensive income	121.81	97.76
Company's share of profit	60.90	48.84
Company's share of other comprehensive income	-	0.04
<b>Company's share of total comprehensive income</b>	<b>60.90</b>	<b>48.88</b>

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019



## 5.3 Additional information to consolidated financial statements as at 31 March 2019 (pursuant to Schedule III to the Companies Act, 2013): (Rs. in Crores)

Name of the Company	Proportion of ownership interest as on 31 March 2019	Net Assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit/ (loss)	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income
1 Indraprastha Gas Limited Associates (investment as per equity method) Indian		4,315.71	100%	755.14	89.67%	(0.94)	101.08%	754.20	89.66%
a) Central U.P Gas Limited	50%			26.06	3.09%	0.01	(1.08%)	26.07	3.10%
b) Maharashtra Natural Gas Limited	50%			60.90	7.24%	-	0.00%	60.90	7.24%
<b>Total</b>				<b>842.10</b>	<b>100.00%</b>	<b>(0.93)</b>	<b>100.00%</b>	<b>841.17</b>	<b>100.00%</b>

## Additional information to consolidated financial statements as at 31 March 2018 (pursuant to Schedule III to the Companies Act, 2013):

Name of the Company	Proportion of ownership interest as on 31 March 2018	Net Assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit/ (loss)	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income
1 Indraprastha Gas Limited Associates (investment as per equity method) Indian		3,646.95	100%	649.83	90.04%	(0.18)	64.29%	649.65	90.05%
a) Central U.P Gas Limited	50%			23.05	3.19%	(0.14)	48.87%	22.91	3.18%
b) Maharashtra Natural Gas Limited	50%			48.84	6.77%	0.04	(13.16)%	48.88	6.77%
<b>Total</b>				<b>721.72</b>	<b>100.00%</b>	<b>(0.28)</b>	<b>100.00%</b>	<b>721.44</b>	<b>100.00%</b>

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

### 6 Loans - non-current

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits		
- Considered good - unsecured	11.47	8.37
	<b>11.47</b>	<b>8.37</b>

### 7 Other non-current financial assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balance with banks in fixed deposits having remaining maturity of more than 12 months (under lien against bank guarantee)	0.30	0.30
Others	0.04	-
	<b>0.34</b>	<b>0.30</b>

### 8 Income-tax assets (net)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Advance tax (net of provisions)	11.04	11.04
Income-tax demand paid under protest	3.99	3.99
	<b>15.03</b>	<b>15.03</b>

### 9 Other non-current assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Capital advances	20.65	7.98
Advances other than capital advances:		
Advance to related parties - GAIL (India) Limited (considered good, refer note 43)	11.48	16.93
Prepaid expenses	29.87	20.53
Others	5.08	0.26
	<b>67.08</b>	<b>45.70</b>



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

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## 10 Inventories (valued at lower of cost and net realisable value)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Stock-in-trade		
Natural gas	3.71	3.14
Stores and spares	50.88	52.90
Less: Provision for obsolete and slow moving stores and spares	(3.65)	(3.67)
	47.23	49.23
	<b>50.94</b>	<b>52.37</b>

## 11 Current financial assets - Investments

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds (unquoted) - at fair value through profit and loss (refer 11.1 below)	1,285.87	889.57
	<b>1,285.87</b>	<b>889.57</b>
Aggregate amount of unquoted investments & market value thereof	1,285.87	889.57

### 11.1 Details of units and values

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) 2,52,488.807 units (31 March 2018: Nil) in SBI Magnum Ultra Short Duration Fund, Direct Growth	105.23	-
(b) 2,50,85,667.555 units (31 March 2018: Nil) in HDFC Low Duration Fund, Direct Growth	102.50	-
(c) 5,06,076.717 units (31 March 2018: 5,45,159.307) in IDBI Liquid Fund, Direct Growth	101.37	101.43
(d) 2,21,645.568 units (31 March 2018: 3,66,246.783) in Reliance Liquid Fund, Direct Growth	101.11	102.82
(e) 2,57,867.07 units (31 March 2018: Nil) in HDFC Money Market Fund, Direct Growth	101.07	-
(f) 4,15,521.645 units (31 March 2018: Nil) in SBI Magnum Low Duration Fund, Direct Growth	101.03	-
(g) 1,96,56,614.166 units (31 March 2018: Nil) in JM Liquid Fund, Direct Growth	100.62	-
(h) 3,33,75,274.929 units (31 March 2018: Nil) in Reliance Floating Rate Fund, Direct Growth	100.51	-
(i) 3,07,05,080.77 units (31 March 2018: Nil) in HDFC Floating Rate Debt Fund, WP Direct Growth	100.42	-
(j) 3,58,700.377 units (31 March 2018: Nil) in Franklin India Liquid Fund, Direct Growth	100.38	-
(k) 36,24,187.29 units (31 March 2018: 30,70,190.191) in ICICI Prudential Liquid Fund, Direct Growth	100.18	78.95
(l) 4,96,310.478 units (31 March 2018: Nil) in Mirae Asset Cash Management Fund, Direct Growth	97.85	-

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

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### 11.1 Details of units and values (Contd..)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(m) 12,55,147.14 units (31 March 2018: 33,95,611.639) in Aditya Birla Sun Life Liquid Fund, Direct Growth	37.71	94.84
(n) 95,190.381 units (31 March 2018: Nil) in Tata Liquid Fund, Direct Growth	28.03	-
(o) 25,678.43 units (31 March 2018: Nil) in UTI Liquid Cash Plan, Direct Growth	7.86	-
(p) Nil units (31 March 2018: 5,28,406.20) in Axis Liquid Fund, Direct Growth	-	101.85
(q) Nil units (31 March 2018: 4,25,740.711) in Invesco India Liquid Fund, Direct Growth	-	101.84
(r) Nil units (31 March 2018: 41,73,998.828) in ICICI Prudential Money Market Fund, Direct Growth	-	100.37
(s) Nil units (31 March 2018: 3,86,970.268) in L & T Liquid Fund, Direct Growth	-	92.21
(t) Nil units (31 March 2018: 3,43,853.009) in UTI Money Market, Direct Growth	-	67.04
(u) Nil units (31 March 2018: 13,66,252.326) in DHFL Pramerica Instacashplus Fund, Direct Growth	-	30.85
(v) Nil units (31 March 2018: 69,907.135) in DSP BlackRock Liquidity Fund, Direct Growth	-	17.37
<b>Total</b>	<b>1,285.87</b>	<b>889.57</b>

### 12 Trade receivables

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Trade receivables		
i. Trade receivables considered good - secured	83.66	79.51
ii. Trade receivables considered good - unsecured	137.82	146.63
iii. Trade receivables - Credit Impaired	4.98	2.39
Less: Allowances for expected credit loss	(4.98)	(2.39)
	<b>221.48</b>	<b>226.14</b>
The above receivables include:		
Considered good - unsecured		
Receivables from related parties (refer note 43)	18.51	19.41

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 13 Cash and cash equivalents

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balances with banks in current accounts	25.88	29.07
Cash on hand	11.89	5.01
Balances with banks in fixed deposits with original maturity of less than three months	33.39	169.60
	<b>71.16</b>	<b>203.68</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

## 14 Bank balances other than cash and cash equivalents

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Balances with banks in fixed deposits with original maturity of more than three months and remaining maturity of less than twelve months	528.36	350.00
Unpaid dividend account (refer note (a) below)	0.86	0.56
Earmarked balances with banks in current accounts- Escrow account	6.71	3.79
	<b>535.93</b>	<b>354.35</b>

Note:

- a) Not due for deposit to the Investor Education and Protection Fund.

## 15 Loans - current

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits		
i. Considered good - secured	-	-
ii. Considered good - unsecured (refer note 15.1 below)	3.78	6.48
iii. Deposits - credit impaired	1.50	3.00
Less : Allowances for expected credit losses	(1.50)	(3.00)
	<b>3.78</b>	<b>6.48</b>

15.1 Security deposits, *inter-alia* comprise of deposits given to related parties as below :

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) GAIL (India) Limited	0.10	0.10
(b) Bharat Petroleum Corporation Limited	0.01	0.01
	<b>0.11</b>	<b>0.11</b>

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

### 16 Other current financial assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	32.94	21.43
Interest accrued on fixed deposits	11.46	6.34
	<b>44.40</b>	<b>27.77</b>

### 17 Other current assets

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Advances other than capital advances:		
CENVAT credit recoverable	0.62	4.04
Prepaid expenses	23.64	14.07
Employee advances	0.27	0.28
Advances to vendors*	1.33	1.49
Advances to others	1.94	1.50
Others	1.01	0.85
	<b>28.81</b>	<b>22.23</b>

The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the consolidated financial statements.

\*Advances to vendors, *inter-alia*, includes advances given to related parties as below:

	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) Bharat Petroleum Corporation Limited	0.05	-
	<b>0.05</b>	<b>-</b>

### 18 Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(Rs.in crores)	Number of shares	(Rs.in crores)
(a) Authorised Equity shares of Rs. 2 each (previous year Rs. 2 each)	<b>1,10,00,00,000</b>	<b>220.00</b>	<b>1,10,00,00,000</b>	<b>220.00</b>
(b) Issued, subscribed and fully paid up Equity shares of Rs. 2 each (previous year Rs. 2 each)	<b>70,00,00,800</b>	<b>140.00</b>	<b>70,00,00,800</b>	<b>140.00</b>



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 18.1 Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 2 each (previous year Rs. 2 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## 18.2 Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	(Rs. in crores)	Number of shares	(Rs. in crores)
Balance as at the beginning of the year	700,000,800	140.00	14,00,00,160	140.00
Changes in equity share capital during the year	-	-	-	-
Shares outstanding at the end of the year	<b>70,00,00,800</b>	<b>140.00</b>	<b>700,000,800*</b>	<b>140.00</b>

\*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of Rs.10 into five equity shares having a face value of Rs. 2 each. Consequently, the total number of equity shares of the Company increased to 70,00,00,800 shares of Rs. 2 each.

## 18.3 Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of Rs. 2 each</b>				
(a) GAIL (India) Limited	15,75,00,000	22.50%	15,75,00,000	22.50%
(b) Bharat Petroleum Corporation Limited	15,75,00,400	22.50%	15,75,00,400	22.50%
(c) Life Insurance Corporation of India	5,32,34,451	7.60%	3,68,65,462	5.27%

18.4 The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet. Further, there are no shares which are reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

18.5 During the current year, the Company paid dividend of Rs. 2 per equity share for financial year 2017-18 amounting to Rs. 140 crores (excluding dividend distribution tax of Rs. 28.78 crores) [in the previous year, Rs. 5.00 per equity share for financial year 2016-17 amounting to Rs. 70 crores (excluding dividend distribution tax of Rs. 14.25 crores)].

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 19 Other equity

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
<b>(a) General reserve:</b>		
Balance as at the beginning/ end of the year	303.50	303.50
<b>(b) Retained earnings:</b>		
Opening balance	3,203.45	2,568.19
Profit for the year	842.10	721.72
Dividends distributed to equity shareholders (refer note no: 18.5 above)	(140.00)	(70.00)
Dividend distribution tax on dividend paid on equity share capital (refer note 18.5 above)	(28.78)	(14.25)
Corporate dividend tax of associates	(3.63)	(1.93)
	3,873.14	3,203.73
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(0.93)	(0.28)
Closing balance	<b>3,872.21</b>	<b>3,203.45</b>
	<b>4,175.71</b>	<b>3,506.95</b>

## Nature of reserves

### General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with Companies (Transfer of profits to Reserve) Rules, 1975. Consequent to introduction of the Companies Act 2013, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

### Retained earnings

Retained earnings are created from consolidated the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

## 20 Other non-current financial liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits	0.41	-
	<b>0.41</b>	-

## 21 Non-current provisions

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for employee benefit obligations (refer note 42)	19.55	12.83
	<b>19.55</b>	<b>12.83</b>



## Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the Year Ended 31 March 2019

### 22 Deferred tax liabilities (net)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
(a) Deferred tax liabilities on:		
Difference between book balance and tax balance of property, plant and equipment	275.98	234.03
Undistributed profit of associates	48.09	34.26
Financial assets at fair value through profit or loss	5.32	-
Others	0.03	-
	<b>329.42</b>	<b>268.29</b>
(b) Deferred tax assets on:		
Provision for employee benefit obligations	7.70	4.89
Provision for obsolete and slow moving stores and spares/ Capital work-in-progress	1.82	1.95
Provision for expected credit loss on trade receivables and security deposits	2.26	1.88
Others	1.71	-
	<b>13.49</b>	<b>8.72</b>
Deferred tax liabilities (net)	<b>315.93</b>	<b>259.57</b>

#### Movements in deferred tax liabilities and deferred tax assets

Particulars	(Rs. in Crores)		
	Property, plant and equipment	Gratuity and compensated absences	Other provisions
<b>As at 1 April 2017</b>	203.31	(7.74)	6.82
Charged to the statement of profit or loss	30.72	2.94	23.62
(Credited) to other comprehensive income	-	(0.09)	-
<b>As at 31 March 2018</b>	<b>234.03</b>	<b>(4.89)</b>	<b>30.44</b>
Charged/(credited) to the statement of profit or loss	41.95	(2.31)	17.22
(Credited) to other comprehensive income	-	(0.50)	-
<b>As at 31 March 2019</b>	<b>275.98</b>	<b>(7.70)</b>	<b>47.65</b>

### 23 Other non-current liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Others	0.97	0.81
	<b>0.97</b>	<b>0.81</b>

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

### 24 Current financial liabilities- Trade payables

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 41)	41.11	19.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to others	296.53	242.51
Payable to related parties (refer note 43)	150.84	76.93
	<b>488.48</b>	<b>338.58</b>

### 25 Other current financial liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits from customers (refer note 39)	649.27	544.65
Unclaimed dividend#	0.86	0.56
Security deposits from vendors	3.54	5.17
Employee payable	28.29	23.13
Creditor for capital goods	295.80	224.19
	<b>977.76</b>	<b>797.70</b>

#not due for deposit to the Investor Education and Protection fund.

### 26 Other current liabilities

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Excess payments received from customers	23.72	16.57
Advance from customers	6.31	3.79
Statutory dues payable	13.14	13.55
Advance received for shifting of pipeline	17.05	4.09
Others	1.44	1.12
	<b>61.66</b>	<b>39.12</b>

### 27 Current- provisions

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for employee benefit obligations (refer note 42)	1.03	0.91
	<b>1.03</b>	<b>0.91</b>



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 28 Current tax liabilities (net)

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Provision for tax (net of advance tax)	1.79	-
	<b>1.79</b>	<b>-</b>

## 29 Revenue from operations

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Sale of natural gas (including excise duty)	6,336.66	4,993.78
Other operating revenues	25.21	21.12
	<b>6,361.87</b>	<b>5,014.90</b>

## 30 Other income

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Interest income from banks	36.39	21.89
Dividend income from:		
- investments in mutual funds	-	4.27
Profit on sale of mutual funds	73.57	51.25
Net gain arising on debt mutual funds designated as at fair value through profit or loss	15.22	10.22
Liabilities/provisions no longer required, written back	0.10	0.21
Provision for obsolete and slow moving stores and spares, written back	0.02	1.15
Provision for obsolete and slow moving capital work-in-progress, written back	0.33	-
Allowances for expected credit losses no longer required, written back	1.50	1.50
Net gain on foreign currency transaction and translation	0.05	0.07
Other non-operating income	1.27	-
	<b>128.45</b>	<b>90.56</b>

## 31 Purchases of stock-in-trade of natural gas

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Natural gas	3,397.89	2,491.81
	<b>3,397.89</b>	<b>2,491.81</b>

## 32 Changes in inventories of stock-in-trade of natural gas

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Closing stock of stock-in-trade of natural gas	3.71	3.14
Opening stock of stock-in-trade of natural gas	3.14	2.74
	<b>(0.57)</b>	<b>(0.40)</b>

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the Year Ended 31 March 2019

### 33 Employee benefits expense

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Salaries and wages	123.04	92.01
Contribution to provident fund and other funds	4.23	3.35
Staff welfare expenses	15.28	10.69
	<b>142.55</b>	<b>106.05</b>

### 34 Finance costs

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Finance costs on defined benefit obligations	1.07	1.58
Interest on late deposit of advance tax	0.26	-
Other finance costs	0.72	0.11
	<b>2.05</b>	<b>1.69</b>

### 35 Other expenses

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Operating expenses at CNG stations	182.53	160.56
Stores and spares consumed	27.03	20.93
Power and fuel	209.58	173.69
Rent	105.17	92.49
Hire charges:		
-Vehicle	25.23	22.75
-Equipment	1.57	0.86
Rates and taxes	2.33	1.82
Repairs and maintenance:		
-Buildings	12.89	11.06
-Plant and equipment	227.22	192.27
Security expenses	49.44	44.44
Insurance	1.49	1.62
Cash/cheque collection charges	10.70	6.87
Legal and professional fees	18.34	13.22
Auditor's remuneration (refer note 35.1)	0.54	0.48
Travelling and conveyance	5.40	4.52
Office maintenance	6.84	5.75
Advertisement expenses	12.40	10.19
Loss on property, plant and equipment written off sold/ discarded	2.04	9.61
Allowances for expected credit losses	2.59	-
Provision for obsolete and slow moving capital work-in-progress	-	1.07
Corporate social responsibility (CSR) activity expenses (refer note 40)	14.49	11.60
Miscellaneous expenses	50.17	35.74
	<b>967.99</b>	<b>821.54</b>





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

35.1 Payment to the statutory auditors as:

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
(a) Auditor	0.51	0.47
(b) For reimbursement of expenses	0.03	0.01
	<b>0.54</b>	<b>0.48</b>

## 36 Contingent liabilities

1. Claims against the Company not acknowledged as debt:

### (a) Demand raised by Excise authorities

The Company had received a show cause notice dated 5 June 2012 from the Directorate General of Central Excise Intelligence for not paying excise duty on the facility discount paid to Delhi Transport Corporation from December 2008 to August 2010 and raised a demand of Rs. 2.42 crores (previous year Rs. 2.42 crores) which the Company duly deposited and, however, filed an appeal on 20 August 2013 with the Commissioner of Central Excise. The demand was confirmed by the Commissioner of Excise in its order dated 30 September 2013 and a penalty of Rs. 2.42 crores (excluding interest) was imposed on the Company. The Company filed an appeal on 10 January 2014 against the demand including penalty with Central Excise and Service Tax Appellate Tribunal and the stay has been granted by the tribunal against the demand. The case is remanded back to the assessing authority by Central Excise and Service Tax Appellate Tribunal to submit additional documents along with other evidence.

### (b) Demand raised by income-tax authorities

In respect of assessment year 2013-14 and 2014-15, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 2.51 crores and Rs. 2.01 crores for the assessment year 2013-14 and 2014-15 respectively including interest. Out of the said demand, Rs. 4.01 crores has been adjusted against the refund for the assessment year 2014-15 and demand order for the balance amount of Rs. 0.51 crores has been issued by the Department for assessment year 2013-14. The Company had filed an appeal with the Commissioner of Income-tax (Appeals) which was ruled in favour of the revenue. The Company has further challenged the Order of the Commissioner of Income-tax (Appeals) in the Income-tax Appellate Tribunal. The Company has also deposited under protest Rs. 0.20 crores against the demand of Rs. 0.51 crores for the assessment year 2013-14.

In respect of assessment year 2011-12, 2012-13 and 2015-16, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 8.23 crores, Rs. 10.68 crores and Rs. 1.09 crores for the assessment year 2011-12, 2012-13 and 2015-16 respectively. Out of the said demand, Rs. 1.65 crores and Rs. 2.14 crores has been deposited under protest for the assessment year 2011-12 and 2012-13 respectively and Rs. 1.09 crores has been adjusted against the refund of assessment year 2015-16. The Company had filed appeals with the Commissioner of Income Tax (Appeals) against the decision of the Income-tax department which was ruled in favour of Company in the current year. Subsequently, the Income-tax department has further filed an appeal against the order of Commissioner of Income-tax (Appeals) in Income-tax Appellate Tribunal.

In the current year, the assessing officer had disallowed additional depreciation claimed by the Company in respect of assessment year 2016-17, on addition of assets pertaining to the CNG business. The department has raised a demand of Rs. 0.84 crores for the assessment year 2016-17 including interest. The Company has filed an appeal with Commissioner of Income Tax (Appeals) against the assessment order passed by income-tax department for AY 2016-17. The Company is of the view that such disallowance is not tenable and accordingly no provision has been made for the said demands.

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## (c) Demand raised by Delhi Development Authority (DDA)

Delhi Development Authority (DDA) has raised a total demand of Rs.155.64 crores during 2013-14 on account of increase in license fees in respect of sites taken by the Company on lease from DDA for setting up compressed natural gas (CNG) stations in Delhi. The increase in license fees was related to the period 1 April 2007 to 31 March 2014. The Company has filed a writ petition on 11 October 2013 before the Hon'ble Delhi High Court against the demand raised by DDA as the revised license fees has been increased manifold and made applicable retrospectively from financial year 2007-08. Further, DDA vide communication dated 29 August 2016 has revised the total demand to Rs. 330.73 crores for the period upto 31 March 2016. The same was also reported in the previous year(s) as a contingent liability. The matter is pending in the Hon'ble High Court of Delhi and the Company, based on the legal opinion taken, is of the view that such demand is not tenable and accordingly no provision has been made for this aforementioned demand raised by DDA in the books of accounts.

- (d) In the current year, the Company received a demand amounting to Rs. 0.04 crores from the Commercial Tax department, Uttar Pradesh which has been deposited by the Company under protest.
- (e) Apart from those disclosed above, the Company has certain ongoing litigations involving customers, vendors and employees. Based on legal advice of in house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.
- (f) The Company's share in contingent liabilities of its associate, Central UP Gas Limited is Rs. 25.76 crores (previous year Rs. 16.35 crores). The Company's share in contingent liabilities of its associate, Maharashtra Natural Gas Limited is Rs. 74.67 crores (previous year Rs. 9.91 crores).

2 There are numerous interpretive issues relating to the Hon'ble Supreme Court (SC) judgment dated 28 February 2019 on provident fund on which the Company is seeking legal advice specially on the retrospective applicability of the same. However, the Company for the current year is complying with the statutory requirements of the same and does not believe that any material liability would devolve on it.

3 During the current year, GAIL (India) Limited has raised the following claims against the Company in relation to the allocation and actual utilisation of domestic gas amounting to :

- Rs. 40.70 crores which has later been revised to Rs. 0.17 crores post reconciliation of the computation performed by the Company and GAIL (India) Limited; and
- Rs. 35.12 crores and Rs. 5.12 crores for the gas supplied by the Company to Adani Gas Limited (AGL) and Haryana City Gas Distribution Limited (HCGDL) respectively. The Company has raised claims of the corresponding amount to AGL and HCGDL respectively. Both the aforementioned companies are in the process of reconciling the data with GAIL (India) Limited. Further, based on the agreements entered into by the Company with AGL and HCGDL respectively, and subsequent legal advice obtained on this matter, the management believes that the Company has the right to recover the said amount if charged by GAIL (India) Limited, from these companies. Accordingly, the management does not believe that any material liability would devolve on the Company.

## 37 Bank guarantees

- (i) The Company was in earlier years granted authorization for laying, building, operating and expanding CGD network in the geographical area of Karnal and Rewari (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008 against which the Company had submitted a performance bank guarantee of Rs. 1,236 crores (previous year Rs. 1,236 crores) and Rs. 1,052.36 crores (previous year Rs. 1,052.36 crores) respectively to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years. Further, during the year, the Company has been granted authorization for laying, building, operating and expanding City Gas Distribution (CGD) network in the geographical area of Meerut (except area already authorised) Shamli, Muzaffarnagar, Kaithal, Ajmer, Pali, Rajsamand,



## Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the Year Ended 31 March 2019

Kanpur (except area already authorised), Fatehpur and Hamirpur under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has further submitted a performance bank guarantee amounting to Rs. 158 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years.

- (ii) The Company's commitment towards unexpired bank guarantees other than above mentioned in point (i) is Rs. 375.39 crores (previous year Rs. 368.41 crores) given in the ordinary course of business.
- 38** The Company has installed various CNG Stations on land leased from various government authorities for periods ranging from one to five years. However, assets constructed/installed on such land are depreciated generally at the rates specified in Schedule II to the Companies Act, 2013, as the management does not foresee non-renewal of the above lease arrangements by the authorities. The net block of such assets amounts to Rs. 278.99 crores (previous year Rs. 267.60 crores).
- 39** Security deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as current liabilities as every customer has a right to request for termination of supply and the Company does not have a contractual right to delay payment for more than 12 months.
- 40** As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.
- a) Gross amount required to be spent by the Company during the year is Rs. 16.58 crores (previous year Rs. 14.30 crores)
- b) Amount spent during the year on CSR

(Rs. in Crores)				
S.No	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above:	14.49	-	14.49
	Empowerment of women and girl child	2.11	-	2.11
	Eradication of poverty	0.98	-	0.98
	Promotion of healthcare and sanitation	2.47	-	2.47
	Promotion of education	8.12	-	8.12
	Others	0.81	-	0.81

- 41** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in Crores)		
Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount due to any supplier*	197.27	126.15
-Interest due on above	0.37	0.11
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the Year Ended 31 March 2019

- 41** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.48	0.11
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

\*includes amount of Rs.156.64 crores (previous year Rs. 107.12 crores) towards creditors for capital goods.

### 42 Employee benefits

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and other comprehensive income and the amount recognized in the balance sheet for the respective plans.

	(Rs. in Crores)			
	Non current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for gratuity (refer note below)	2.16	1.73	0.31	0.37
Provision for leave encashment	17.39	11.10	0.72	0.54
	<b>19.55</b>	<b>12.83</b>	<b>1.03</b>	<b>0.91</b>

### Gratuity (funded)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>Change in present value of the benefit obligations are as follows:</b>		
Present value of obligations at the beginning of the year	10.89	8.89
Current service cost	1.31	1.00
Interest cost	0.81	0.67
Actuarial (gain)/loss on obligation	1.44	0.27
Benefits paid	(0.26)	(0.12)
Past service cost including curtailment gains/losses	-	0.18
Present value of obligation at the year end	<b>14.19</b>	<b>10.89</b>
<b>Change in plan assets</b>		
Fair value of plan asset at the beginning of the year	8.79	-
Actual return on plan assets (including interest)	0.80	-
Employer contribution	2.49	8.79
Mortality charges	(0.10)	-
Benefits paid	(0.26)	-
Fair value of plan asset at the end of the year*	<b>11.72</b>	<b>8.79</b>

\*The fund is managed by Life Insurance Corporation of India and category-wise composition of plan assets is not available with the Company.



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## Gratuity (funded) (Contd..)

Particulars	(Rs. in Crores)	
	Gratuity benefits	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>Net liability recognised in balance sheet</b>		
Present value of the benefit obligations at the end of the year	14.19	10.89
Fair value of plan asset	11.72	8.79
<b>Net liability recognised in balance sheet as provision</b>	<b>2.47</b>	<b>2.10</b>
Non-current portion of net liability	2.16	1.73
Current portion of net liability	0.31	0.37
	<b>2.47</b>	<b>2.10</b>
<b>Expenses recognised in the statement of profit and loss:</b>		
Current service cost	1.31	1.00
Past service cost including curtailment gains/losses	-	0.18
Interest cost in benefit obligation (net)	0.12	0.67
<b>Total expense recognised in statement of profit and loss</b>	<b>1.43</b>	<b>1.85</b>
<b>Expense recognised in other comprehensive income</b>		
Actuarial loss recognised during the year	1.44	0.27
<b>Breakup of actuarial loss on defined benefit obligation:</b>		
Actuarial loss on arising from change in financial assumption	0.29	0.38
Actuarial (gain)/loss on arising from experience adjustment	1.15	(0.11)
<b>Total actuarial loss</b>	<b>1.44</b>	<b>0.27</b>

## Actuarial assumptions used

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Discount rate	7.65%	7.80%
Expected salary escalation rate	6.50%	6.50%

### Notes:

1. The discount rate is based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liability.
2. The estimates for future salary increase rate takes account of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

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## 42 Employee benefits: (Contd..)

### Demographic assumptions used

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Mortality table	IALM(2006-08)	IALM(2006-08)
Retirement age	60 Years	60 Years
Withdrawal rates		
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

### Experience adjustment:

Particulars	(Rs. in Crores)				
	2019	2018	2017	2016	2015
Present value of defined benefit obligation	14.19	10.89	8.89	6.19	4.66
Experience gain/(loss) on liability	(1.15)	(0.11)	(0.13)	0.96	0.02

### Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability:

Particulars	(Rs. in Crores)			
	As at 31 March 2019		As at 31 March 2018	
	Increase by 0.5%	Decrease by 0.5%	Increase by 1%	Decrease by 1%
<b>Discount rate</b>				
(Decrease)/ increase in the defined benefit liability	(0.93)	1.02	(1.37)	1.51
<b>Salary growth rate</b>				
Increase/(decrease) in the defined benefit liability	1.03	(0.95)	1.52	(1.39)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

### Defined contribution plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 4.23 crores for provident fund contributions (previous year Rs. 3.35 crores) in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.



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for the Year Ended 31 March 2019

## 43 Information on related party transactions pursuant to Ind AS 24 - Related party Disclosures

*List of related parties:*

- (a) Entities having significant influence over the Company (promoter venturers)
  - i. GAIL (India) Limited
  - ii. Bharat Petroleum Corporation Limited
- (b) Entities over which the Company exercises significant influence
  - i. Central U.P. Gas Limited
  - ii. Maharashtra Natural Gas Limited
- (c) Entities controlled by a major shareholder
  - i. GAIL Gas Limited (controlled by GAIL (India) Limited)
- (d) Entities which are joint ventures of GAIL (India) Limited
  - i. Petronet LNG Limited
  - ii. Green Gas Limited
  - iii. Rajasthan State Gas Limited
- (e) Key managerial personnel (KMPs):
  - i. Mr S. Ramesh Chairman (with effect from 1 April 2018 to 23 September 2018)
  - ii. Mr. Arun Kumar Singh Chairman (with effect from 1 October 2018 to 13 January 2019)
  - iii. Mr. Gajendra Singh Chairman (with effect from 14 January 2019)
  - iv. Mr. E.S. Ranganathan Managing Director
  - v. Mr. V. Nagarajan Director Commercial (till 24 May 2018)
  - vi. Mr. Rajiv Sikka Director Commercial (with effect from 25 May 2018)
  - vii. Mr. Rajesh Agrawal Chief Financial Officer (till 31 July 2018)\*
  - viii. Mr. Rakesh Chawla Chief Financial Officer (with effect from 1 August 2018)\*
  - ix. Mr. S.K. Jain Company Secretary\*
  - x. Mr Manoj Jain Non-Executive Director (with effect from 1 April 2018 to 5 July 2018)
  - xi. Mr. S. Bairagi Non-Executive Director (with effect from 6 July 2018 to 13 January 2019)
  - xii. Mr Rajendra Natekar Pushparaj Non-Executive Director (with effect from 14 January 2019)
  - xiii. Ms Varsha Joshi Non-Executive Director
  - xiv. Mr Raghu Nayar Non-Executive, Independent Director (till 19 March 2019)
  - xv. Ms Sudha Sharma Non-Executive, Independent Director (till 19 March 2019)
  - xvi. Mr Sadashiv Srinivas Rao Non-Executive, Independent Director (till 15 October 2018)
  - xvii. Mr Santosh Kumar Bajpai Non-Executive, Independent Director (till 15 October 2018)
  - xviii. Mr Ranganathan Venkataraman Non-Executive, Independent Director (till 15 October 2018)
  - xix. Mr Akhilesh Kumar Ambasht Non-Executive, Independent Director (with effect from 11 February 2019)
  - xx. Ms Saroj Bala Non-Executive, Independent Director (with effect from 11 February 2019)
  - xxi. Mr R S Sahoo Non-Executive, Independent Director (with effect from 11 February 2019)

\*Pursuant only to Section 203 of the Companies Act, 2013

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business:

(Rs. in Crores)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>GAIL (India) Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas (including VAT)	2,800.96	2,126.65
Transportation charges	35.67	23.37
Sale of natural gas	3.21	2.81
Salaries, allowances and other related payments	0.99	1.42
Bonus (profit sharing)	0.15	0.15
Rent	-	0.05
Reimbursement of expenses	-	0.01
Road restoration charges	0.25	0.15
Other expenses	-	0.01
Advance paid for hooking up charges of shippers facilities	-	16.93
Operational Charges	0.16	-
Purchase of property, plant and equipment	-	1.94
Sale of property, plant and equipment	-	0.35
Reimbursement of advertisement expenses paid by Company	-	1.29
Security deposit refund received	-	0.41
Standby letter of credit/ bank guarantee issued/renewed	-	254.26
Net movement in standby letter of credit/ bank guarantee	(96.43)	-
Dividend paid	31.50	15.75
<i>Balance outstanding as at the year end:</i>		
Trade payables	123.98	39.34
Trade receivables	0.25	1.75
Security deposit paid	0.10	0.10
Bank guarantee/SBLC outstanding at the year end	157.83	254.26
Advance paid for hooking up of shippers facilities	11.48	16.93
<b>Bharat Petroleum Corporation Limited</b>		
<i>Transactions during the year:</i>		
Sale of CNG (gross)	432.16	322.56
Salaries, allowances and other related payments	0.95	0.69
Bonus (profit sharing)	0.15	0.15
Reimbursement of electricity expenses	16.00	13.37
Facility charges	17.04	14.13
Purchase of stock-in-trade of natural gas	324.42	237.85
Purchases of lubricants	0.86	0.34
Purchase of petrol/diesel (including unutilized)	0.17	0.11
Security deposit paid	0.01	0.01
Security deposit refund	0.01	-
Road restoration charges	-	0.01
Earnest Money Deposit received/(repaid)	(0.04)	0.04
Standby letter of credit/ bank guarantee issued/renewed	-	30.73
Net movement in standby letter of credit/ bank guarantee	(1.93)	-
Dividend paid	31.50	15.75
<i>Balance outstanding as at the year end:</i>		
Trade payables	11.50	31.97
Trade receivables	18.20	15.07





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business: (Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Security deposit paid	0.01	0.01
Earnest Money Deposit received	-	0.04
Bank guarantee outstanding at the year end	28.80	30.73
Other advances	0.05	-
<b>Central U.P. Gas Limited</b>		
<i>Transactions during the year:</i>		
Sitting fees received	0.04	0.05
Security Deposit given	0.02	-
Security Deposit refund	0.02	-
Reimbursement of advertisement expenses paid by Company	-	0.65
<i>Balance outstanding as at the year end:</i>		
Trade receivable	-	0.65
<b>Maharashtra Natural Gas Limited</b>		
<i>Transactions during the year:</i>		
Sitting fees received	0.01	0.03
<b>GAIL Gas Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas	132.77	132.89
Reimbursement of advertisement expenses paid by Company	-	1.29
Standby letter of credit/ bank guarantee issued/renewed	-	8.46
<i>Balance outstanding as at the year end:</i>		
Trade payables	5.74	5.62
Trade receivable	-	1.29
Bank guarantees	8.46	8.46
<b>Petronet LNG Limited</b>		
<i>Transactions during the year:</i>		
Purchase of stock-in-trade of natural gas	44.82	0.75
Standby letter of credit/ bank guarantee issued/renewed	11.58	0.75
Net movement in standby letter of credit/ bank guarantee	-	(0.75)
<i>Balance outstanding as at the year end:</i>		
Trade payable	9.62	-
Bank guarantees	11.58	-
<b>Green Gas Limited</b>		
<i>Transactions during the year:</i>		
Reimbursement of advertisement expenses paid by Company	-	0.65
<i>Balance outstanding as at the year end:</i>		
Trade receivable	0.06	0.65
<b>Rajasthan State Gas Limited</b>		
<i>Transactions during the year:</i>		
Sale of traded goods	0.01	-
<b>Key managerial personnel:</b>		
<i>Transactions during the year:</i>		
Mr. E.S. Ranganathan : Direct reimbursements#	0.03	0.01
Mr. V. Nagarajan: Direct reimbursements#	0.02	0.06
Mr. Rajiv Sikka: Direct reimbursements#	0.05	-
Mr. Rajesh Agrawal (managerial remuneration)	0.74	0.85

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Transactions/balances outstanding with related parties in the ordinary course of business: (Contd..)

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Mr. Rakesh Chawla (managerial remuneration)	0.41	-
Mr. S.K. Jain (managerial remuneration)	0.72	0.58
Mr Raghu Nayar	0.14	0.12
Ms Sudha Sharma	0.14	0.11
Mr Sadashiv Srinivas Rao	0.09	0.14
Mr Santosh Kumar Bajpai	0.08	0.13
Mr Ranganathan Venkataraman	0.07	0.11
Mr Akhilesh Kumar Ambasht	0.02	-
Ms Saroj Bala	0.02	-
Mr. RS Sahoo	0.02	-

#Direct reimbursements made as per terms of employment/entitlements

## 44 Income-tax expense

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
<b>(a) Income-tax expense</b>		
<i>Current tax</i>		
Current tax on profits for the year	370.31	316.94
<b>Total current tax expense</b>	<b>370.31</b>	<b>316.94</b>
<i>Deferred tax</i>		
(Increase)/ decrease in deferred tax assets	(4.27)	14.59
Increase in deferred tax liabilities	61.13	42.69
<b>Total deferred tax expense</b>	<b>56.86</b>	<b>57.28</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>427.17</b>	<b>374.22</b>
<i>Deferred tax related to items recognised in OCI during the year</i>		
Net loss/(gain) on remeasurements of defined benefit plans	(0.50)	(0.09)
<b>Tax expense</b>	<b>426.67</b>	<b>374.13</b>

## (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	(Rs. in Crores)	
	Year ended 31 March 2019	Year ended 31 March 2018
Profit before income-tax expense	1,182.31	1,024.05
Tax at the Indian tax rate of 34.944% (2017-2018 – 34.608%)	413.15	354.40
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non deductible expenses	5.41	4.30
Effect of (allowances)/disallowances	(6.63)	1.32
Income exempt from tax	-	(1.48)
Share in profit of associates not taxable	13.82	12.50
Others	0.92	3.09
<b>Income-tax expense</b>	<b>426.67</b>	<b>374.13</b>



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## 45 Financial instruments by category

Particulars	(Rs. in Crores)			
	As at 31 March 2019		As at 31 March 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Non current financial assets</b>				
Loans	-	11.47	-	8.37
Other financial assets	-	0.34	-	0.30
<b>Current financial assets</b>				
Investments	1,285.87	-	889.57	-
Trade receivable	-	221.48	-	226.14
Cash and cash equivalents	-	71.16	-	203.68
Bank balances other than cash and cash equivalents	-	535.93	-	354.35
Unbilled revenue	-	32.94	-	21.43
Interest accrued on fixed deposits	-	11.46	-	6.34
Security deposits with related parties and others	-	3.78	-	6.48
<b>Total financial assets</b>	<b>1,285.87</b>	<b>888.56</b>	<b>889.57</b>	<b>827.09</b>
<b>Non current financial liabilities</b>				
Security deposits	-	0.41	-	-
<b>Current financial liabilities</b>				
Trade payables	-	488.48	-	338.58
Security deposits from customers	-	649.27	-	544.65
Unclaimed dividends	-	0.86	-	0.56
Employee benefits payable	-	28.29	-	23.13
Creditors towards capital goods	-	295.80	-	224.19
Security deposits from vendors	-	3.54	-	5.17
<b>Total financial liabilities</b>	<b>-</b>	<b>1,466.65</b>	<b>-</b>	<b>1,136.28</b>

Note :

Investments in associates as at the close of the year ended 31 March 2019 and 31 March 2018 are carried at cost, per the exemption availed by the Company. Hence, the same has not been considered in the above table.

## 46 Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2019 and 31 March 2018.

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2018 and 31 March 2019 as follows:

	(Rs. in Crores)			
	Level 1	Level 2	Level 3	Total
<b>As at 31 March 2018</b>				
Investment in mutual funds	889.57	-	-	889.57
<b>Total</b>	<b>889.57</b>	<b>-</b>	<b>-</b>	<b>889.57</b>
<b>As at 31 March 2019</b>				
Investment in mutual funds	1,285.87	-	-	1,285.87
<b>Total</b>	<b>1,285.87</b>	<b>-</b>	<b>-</b>	<b>1,285.87</b>

The investments in mutual funds have been fair valued per net asset value (NAV) as at reporting date.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Security deposits received have not been fair valued as the same are repayable on demand, so there is no fixed term available for the purpose of discounting. Further, security deposits given have not been fair valued as the impact of the fair valuation is not material.

### 47 Financial risk management

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of the same in the financial statements.

#### (i) Foreign currency risk

The Company is exposed to foreign exchange risk mainly through its purchases of capital items from overseas suppliers in various foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies to manage its risks.

The Company's foreign currency exposure on accounts payable that have not been hedged by a derivative instrument or otherwise are given below:

Currency	Year ended 31 March 2019		Year ended 31 March 2018	
	FC	(Rs. in crores)	FC	(Rs. in crores)
USD	324,230	2.24	4,86,212	3.16
EURO	1,26,771	0.99	90,221	0.73
		<b>3.23</b>		<b>3.89</b>

#### Foreign currency sensitivity

There shall be no material impact on profit before tax due to 1% increase/decrease in foreign exchange rates.



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## (ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date :

*Financial assets for which loss allowance is measured using 12 months Expected Credit Losses*

Exposure to credit risk	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Security deposits (non-current)	11.47	8.37
Balance with banks in fixed deposits (under lien against bank guarantee)	0.30	0.30
Cash and cash equivalents (except cash on hand)	59.27	198.67
Other bank balances	535.93	354.35
Unbilled revenue	32.94	21.43
Interest accrued on fixed deposits	11.46	6.34
Security deposits with related parties and others	3.78	6.48
	<b>655.15</b>	<b>595.94</b>

*Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses*

Trade receivables	226.46	228.53
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An analysis of age of trade receivables at each statement of financial position date is summarized as follows:

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
upto 1 year	217.88	222.93
upto 2 years	3.29	1.73
upto 3 years	2.96	1.49
upto 4 years	1.04	1.19
upto 5 years	0.91	0.82
More than 5 years	0.38	0.37
	<b>226.46</b>	<b>228.53</b>

Expected credit loss

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
upto 1 year	0%	0%
upto 2 years	14%	3%
upto 3 years	20%	8%
upto 4 years	36%	23%
upto 5 years	65%	50%
More than 5 years	100%	100%

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks. Further, security deposits paid includes payment made to government agencies which are considered low credit risk

### (iii) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each statement of financial position date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

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

#### As at 31 March 2019

(Rs. in Crores)

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	488.48	-	488.48
Security deposits from customers	649.27	-	649.27
Unclaimed dividends	0.86	-	0.86
Security deposits from vendors	3.54	-	3.54
Employee payable	28.29	-	28.29
Creditor for capital goods	295.80	-	295.80
Security deposits	-	0.41	0.41
	<b>1,466.24</b>	<b>0.41</b>	<b>1,466.65</b>

#### As at 31 March 2018

(Rs. in Crores)

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	338.58	-	338.58
Security deposits from customers	544.65	-	544.65
Unclaimed dividends	0.56	-	0.56
Security deposits from vendors	5.17	-	5.17
Employee payable	23.13	-	23.13
Creditor for capital goods	224.19	-	224.19
	<b>1,136.28</b>	<b>-</b>	<b>1,136.28</b>



# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## (iv) Price risk

The Company is not exposed to sensitivity to price risk in regards to its financial assets and liabilities.

## (v) Interest risk

The Company's policy is to minimise interest rate cash flow risk exposures. The Company is exposed to the interest rate risk on fixed deposit and on the investment done by the Company in mutual funds. The exposure to the interest rate for the Company's mutual fund and fixed deposit is considered immaterial.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.50% (2017-18: +/-0.50%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	(Rs. in Crores)			
	Profit for the year		Equity	
	0.50%	0.50%	0.50%	0.50%
31 March 2019	9.24	(9.24)	6.01	(6.01)
31 March 2018	7.05	(7.05)	4.61	(4.61)

## 48 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as going concern; and
- to provide an adequate return to stakeholders

For the purpose of Company's capital management, capital includes issued equity capital. The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, less cash and cash equivalents.

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Borrowings	-	-
Less: Cash and cash equivalents	(71.16)	(203.68)
Borrowings (net of cash and cash equivalents)	-	-
Capital employed	4,315.71	3,646.95
<b>Total capital employed</b>	<b>4,315.71</b>	<b>3,646.95</b>
Gearing ratio	0%	0%

## Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the Year Ended 31 March 2019

### 49 Capital and other commitments

#### (a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:

Particulars	(Rs. in Crores)	
	As at 31 March 2019	As at 31 March 2018
Property, plant and equipment	1,469.80	366.21
	<b>1,469.80</b>	<b>366.21</b>

#### (b) Other commitments

The Company has entered into long-term agreements for purchase of natural gas upto maximum quantity of 0.58 million standard cubic meters (SCM)/ day (Rs. 1.78 crores per day based on average rates prevailing on March 2019) till 2028 with different suppliers. These agreements have 'take or pay' clause which shall be applicable in case gas off take is less than the contractual quantity as defined in the agreement and the same can be adjusted against make up quantity to be taken in the subsequent years. As at the balance sheet date, the management does not foresee any liability on account of the said obligation.

### 50 Earnings per share

Particulars	Units	Year ended 31 March 2019	Year ended 31 March 2018
Net profit attributable to shareholders	Rs. crores	842.10	721.72
Weighted average number of equity shares	No. in crores	70.00	70.00
Nominal value per share	Rs.	2.00	2.00
Basic earning per share of Rs. 2 each	Rs.	12.03	10.31

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

**51** The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" from 01 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in Ind AS 115, the Company has adopted full retrospective approach. Pursuant to change in accounting policy, revenue from operations have been disclosed net of facility charges. Such expenses were earlier grouped under 'other expenses' in accordance with the requirements of Ind AS 18 upto 31 March 2018. However, there is no impact on the retained earnings as at 01 April 2017 and for the profit for the year ended 31 March 2018.





# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

The impact of the change in accounting policy on the comparative figures has been given as below:

	(Rs. in Crores)		
Statement of profit and loss (extract) for the year ended 31 March 2019	Pre-adoption of Ind As 115	Increase / (decrease)	Post-adoption of Ind As 115
Revenue from operations	6,434.96	(73.09)	6,361.87
<b>Total income</b>	<b>6,434.96</b>	<b>(73.09)</b>	<b>6,361.87</b>
<b>Expenses</b>			
Other expenses	1,041.08	(73.09)	967.99
<b>Total expenses</b>	<b>1,041.08</b>	<b>(73.09)</b>	<b>967.99</b>

	(Rs. in Crores)		
Statement of profit and loss (extract) for the year ended 31 March 2018	As originally presented	Increase / (decrease)	Restated
Revenue from operations	5,073.65	(58.75)	5,014.90
<b>Total income</b>	<b>5,073.65</b>	<b>(58.75)</b>	<b>5,014.90</b>
<b>Expenses</b>			
Other expenses	880.29	(58.75)	821.54
<b>Total expenses</b>	<b>880.29</b>	<b>(58.75)</b>	<b>821.54</b>

There is no impact on the Earning per share (EPS) as result on the adoption of aforementioned adjustment of Ind AS 115.

## Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

	(Rs. in Crores)	
Particulars	As at 31 March 2019	As at 31 March 2018
<b>Contract assets</b>		
Unbilled revenue	32.94	21.43
<b>Total contract assets</b>	<b>32.94</b>	<b>21.43</b>
<b>Contract liabilities</b>		
Excess payments received from customers	23.72	16.57
Advance from customers	6.31	3.79
<b>Total contract liabilities</b>	<b>30.03</b>	<b>20.36</b>
<b>Receivables</b>		
Trade receivables	221.48	226.14
<b>Net receivables</b>	<b>221.48</b>	<b>226.14</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

# Consolidated Summary of Significant Accounting Policies and other Explanatory Information

for the Year Ended 31 March 2019

## Adoption of Ind AS 115 (continued)

### a) Significant changes in contract assets and liabilities

There has been no significant changes in Contact assets during the year

(Rs. in Crores)

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Contract Liabilities		Contract Liabilities	
	Excess payments received from customers	Advance from customers	Excess payments received from customers	Advance from customers
<b>Opening balance</b>	<b>16.57</b>	<b>3.79</b>	<b>15.19</b>	<b>-</b>
Add: Addition during the year	16.11	6.31	8.12	3.79
Less: Revenue recognised during the year from opening liability	8.96	3.79	6.74	-
<b>Closing balance</b>	<b>23.72</b>	<b>6.31</b>	<b>16.57</b>	<b>3.79</b>

**52** The Company is primarily engaged in the business of providing natural gas. Hence, as per the chief operating decision maker the sale of natural gas has been considered as a single operating segment per Ind AS 108 'Operating Segment' and accordingly disclosures have been limited to single operating segment.

**53** In the previous year, the Company had finalized negotiations with the Oil Marketing Companies (OMCs) for the trade margin and facility charges pertaining to Delhi (from 1 April 2015 to 31 March 2018) and Uttar Pradesh (from 1 April 2015 to 31 March 2019) and accordingly, an amount of Rs. 15.92 crores and Rs. 0.30 crores pertaining to previous years had been written back from the respective heads. Further, during the current year ended 31 March 2019, in the absence of the agreement effective 1 April 2018 for the Delhi region, an additional amount of Rs. 4.90 crores has been provided in the books of account towards estimated revision in trade margin and facility charges payable to the OMCs.

## 54 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2019 and the date of authorisation of the Company's standalone financial statements. However, the Board of Directors have recommended a final dividend of 120% i.e. Rs. 2.40 (previous year Rs. 2.00) on equity shares of Rs. 2 (previous year Rs. 2) each for the year ended 31 March 2019, subject to approval of shareholders at the ensuing annual general meeting.

**55** The consolidated financial statements for the year ended 31 March 2019 were approved by the Board of Directors on 24 May 2019.

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-55)

In terms of our report attached

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No. 001076N/N500013

Sd/-

**Rajni Mundra**

Partner

Membership No. 058644

For and on behalf of Board of Directors

Sd/-

**E. S. Ranganathan**

Managing Director

(DIN 07417640)

Sd/-

**Rakesh Chawla**

Chief Financial Officer

Sd/-

**Rajiv Sikka**

Director (Commercial)

(DIN 06819112)

Sd/-

**S.K. Jain**

Company Secretary

Place: New Delhi

Date: 24 May 2019



## **Comments of the Comptroller and Auditor General of India Under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Indraprastha Gas Limited for the year ended 31 March 2019.**

The preparation of consolidated financial statements of Indraprastha Gas Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Indraprastha Gas Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. We conducted a supplementary audit of financial statements of Indraprastha Gas Limited, Central U. P. Gas Limited (Associate) and Maharashtra Natural Gas Limited (Associate) for the year ended on that day. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act read with 129 (4) of the Act.

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

Sd/-  
**(Prachi Pandey)**  
Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board-II,  
New Delhi.

Place: New Delhi  
Delhi:14.8.2019





**INDRAPRASTHA GAS LIMITED**

IGL Bhawan, Plot No. 4,  
Community Centre, Sector 9, R K Puram,  
New Delhi - 110022  
Website: [www.iglonline.net](http://www.iglonline.net)





## INDRAPRASTHA GAS LIMITED

Regd. office: IGL Bhawan, Plot No. 4, Community Centre,  
Sector - 9, R.K. Puram, New Delhi-110022  
CIN: L23201DL1998PLC097614, Website: [www.iglonline.net](http://www.iglonline.net)  
Email: investors@igl.co.in, Tel No.: 011-46074607, Fax No.: 011-26171863

### NOTICE

Notice is hereby given that the 20th Annual General Meeting of the members of INDRAPRASTHA GAS LIMITED will be held at Airforce Auditorium, Subroto Park, New Delhi - 110010, on Tuesday, the 24th September, 2019, at 11:30 AM to transact the following business: -

#### ORDINARY BUSINESS

1. To receive, consider and adopt the (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 (b) the Audited Consolidated Financial Statements for the financial year ended March 31, 2019; and the reports of the Board of Directors and the Statutory Auditor and the comments of Comptroller & Auditor General of India thereon.
2. To declare a Dividend on equity shares for the financial year ended March 31, 2019.
3. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor of the Company (M/s Walker Chandiook & Co. LLP) in terms of the provisions of Section 142 of the Companies Act, 2013 and to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of M/s Walker Chandiook & Co. LLP (Registration No. 001076N/N500013), Chartered Accountants, the Statutory Auditor of the Company, appointed by Comptroller and Auditor General of India for the Financial Year 2019-20."

#### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:  
"RESOLVED THAT Shri Gajendra Singh (DIN: 03290248), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the

Companies Act, 2013, be and is hereby, appointed as a Director of the Company, liable to retire by rotation."

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Article 121 (A) (iii) of the Articles of Association of the Company, approval be and is hereby accorded, to the re-appointment of Shri E. S. Ranganathan (DIN: 07417640) as Managing Director of the Company on whole-time basis with effect from June 01, 2019 to April 30, 2020 on the terms and conditions including remuneration forwarded by GAIL (India) Limited vide its office order no. GAIL/CO/TRF/05/2019 dated May 10, 2019 and letter no. 22/02/53/2054/2019 dated May 15, 2019, with the liberty to the Board of Directors to alter and vary the terms and conditions, as the Board of Directors may consider necessary and as may be agreed to by Shri E. S. Ranganathan / GAIL.

FURTHER RESOLVED THAT the Company shall provide facilities to Shri E. S. Ranganathan, approved by Board for his smooth functioning as Managing Director and reimburse such expenses as are incurred by Shri E. S. Ranganathan in carrying out the responsibilities of Managing Director.

FURTHER RESOLVED THAT Shri E. S. Ranganathan shall not be liable to retire by rotation nor shall be reckoned for determining the number of Directors liable to retire by rotation, till the time he holds the office as Managing Director of the Company."

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Amit Garg (DIN: 08515246), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the



Companies Act, 2013, be and is hereby, appointed as a Director of the Company, not liable to retire by rotation.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Article 121 (A) (iii) of the Articles of Association of the Company, approval be and is hereby accorded, to the appointment of Shri Amit Garg (DIN: 08515246) as Director (Commercial) of the Company on whole-time basis with effect from July 25, 2019 to July 24, 2022 on the terms and conditions of appointment including remuneration forwarded by Bharat Petroleum Corporation Limited vide its letter no. HRD.C&B.1.CON.DEP.IGL dated July 23, 2019 and email dated July 23, 2019, with the liberty to the Board of Directors to alter and vary the terms and conditions, as the Board of Directors may consider necessary and as may be agreed to by Shri Amit Garg/ BPCL.

RESOLVED FURTHER THAT the Company shall provide facilities to Shri Amit Garg, approved by Board for his smooth functioning as Director (Commercial) and reimburse such expenses as are incurred by Shri Amit Garg in carrying out the responsibilities of Director (Commercial).

RESOLVED FURTHER THAT Shri Amit Garg shall not be liable to retire by rotation nor shall be reckoned for determining the number of Directors liable to retire by rotation, till the time he holds the office as Director (Commercial) of the Company.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Rajendra Natekar Pushparaj (DIN: 07858989), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the Companies Act, 2013, be and is hereby, appointed as a Director of the Company, liable to retire by rotation.”

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Rajeev Verma (DIN: 01089660), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 160 of the Companies Act, 2013, be and is hereby, appointed as a Director of the Company, liable to retire by rotation.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Smt. Saroj Bala (DIN: 07854580), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from February 11, 2019 up to February 10, 2024.”

11. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Dr. Akhilesh Kumar Ambasht (DIN: 08339038), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from February 11, 2019 up to February 10, 2024.”

12. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Shri Rajib Sekhar Sahoo (DIN: 02708503), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from February 11, 2019 up to February 10, 2024.”

13. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment

& Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Shri Ramesh Narain Misra (DIN: 03109225), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from June 11, 2019 upto June 10, 2024."

14. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment & Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as amended from time to time, Shri Deepak Mishra (DIN: 02357888), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from June 13, 2019 upto June 12, 2024."

15. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Cost Auditors appointed by the Board of Directors of

the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

16. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, and subject to any modification(s) and re-enactment thereof, consent of the members be and is hereby accorded to ratify the contract for purchase of APM gas for NCT of Delhi, at a price determined by Government of India from time to time, amounting to Rs. 1113.02 Crores, with its related party i.e. GAIL (India) Limited (Nominee of Government of India), during the period April 1, 2018 to March 31, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution."

**By Order of the Board**

Sd/-

**(S. K. Jain)**

Company Secretary

Place : New Delhi  
Date : August 14, 2019

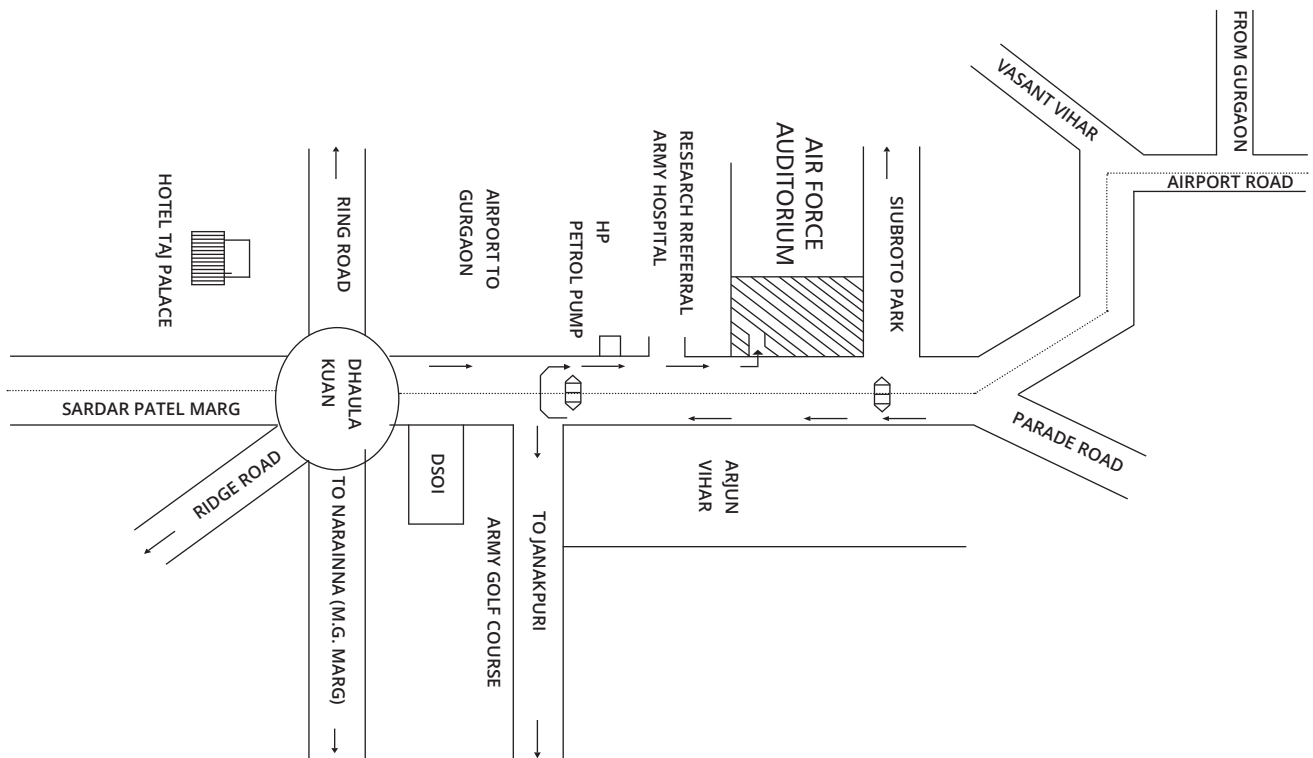
## Notes:

- The explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREIN AFTER REFERRED AS 'THE MEETING' OR 'AGM') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- The instrument appointing a proxy, to be effective, must be duly filled, stamped and must reach the Company's registered office not later than 48 (forty eight) hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- The Register of members and Share Transfer Books of the Company will remain closed from September 14, 2019 to September 24, 2019 (both days inclusive) for the purpose of ascertaining the eligibility for payment of dividend.
- The dividend payable on equity shares, if approved by the members, will be paid to those members whose names appear on the Company's Register of members and as per beneficial owners' position received from NSDL & CDSL as at the close of September 13, 2019.





7. Route map of the Venue of AGM:



8. Members holding shares in physical form are requested to notify change in their address, if any, quoting folio number to Registrar and Transfer Agents (RTA) at M/s Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032.
9. Members are requested to notify any change of Address/ Bank Account Number:
  - a) To the Company's Registrar in respect of their physical share folios; and
  - b) To their Depository Participants (DPs) in respect of their Electronic Demat Accounts as the Company is obliged to print the Bank details on the dividend warrant as furnished by NSDL/ CDSL.
10. Members may correspond with the RTA /Company to claim dividends, which remain unclaimed. In this regard, members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund. Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.
11. Members are requested to send their queries, if any, at least 10 days in advance of meeting so that the information can be made available at the meeting.
12. Members are requested to bring their copy of the Annual Report to the Meeting and no copy would be provided at AGM venue.
13. Documents referred in the accompanying Notice shall be open for inspection at the registered office of the Company on all working days except Saturdays and holidays between 1030 hours to 1230 hours up to the date of conclusion of AGM.
14. In exercise of powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India vide its letter dated July 31, 2019, has appointed M/s Walker Chandio & Co LLP (Registration No. 001076N/N500013), Chartered Accountants as Statutory Auditors of the Company for the FY 2019-20.
15. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting through electronic means. Instructions and other related information for e-voting is provided herein below. Further, the Company will also send communication relating to remote e-voting which inter alia would contain details about user ID and password along with copy of this Notice to the members separately.
16. Voting through electronic means:
  - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014,

- (hereinafter referred as “the Rules”), as amended and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company has made necessary arrangements for remote e-voting facility to its members to enable them to cast their votes electronically.
- b) The Company has engaged the services of Karvy Fintech Private Limited (“Karvy”) as the authorized agency to provide remote e-voting facilities.
  - c) The Board of Directors has appointed Shri V. K. Sharma, Company Secretary in practice as the Scrutinizer, for conducting the remote e-voting process and poll in a fair and transparent manner.
  - d) Members are requested to carefully read the instructions for remote e-voting before casting their vote.
  - e) The remote e-voting period will commence at 9.00 AM on September 21, 2019 and will end at 5.00 PM on September 23, 2019.
  - f) The cut-off date (i.e. the record date) for the purpose of remote e-voting or poll is September 17, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 17, 2019 shall be entitled to avail the facility of remote e-voting/Ballot Paper.
  - g) The procedure and instructions for remote e-voting are as under:
    - (A) In case a member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants (s)]:
      - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
      - ii. Enter the login credentials (i.e. User ID and password as mentioned in email). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
      - iii. After entering these details appropriately, click on “LOGIN”.
      - iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
    - v. You need to login again with the new credentials.
    - vi. On successful login, the system will prompt you to select the “EVENT” i.e., “Indraprastha Gas Limited”.
    - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/ AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/ AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
    - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
    - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
    - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
    - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution(s).
    - xii. Corporate/Institutional members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email [vijay.sharma@vkscosecy.com](mailto:vijay.sharma@vkscosecy.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format “Corporate Name Event No.”



(B) In case of members receiving physical copy of Notice [for members whose email IDs are not registered with the Company/Depository Participants (s)]:

- i. E-Voting Event Number – XXXX (EVEN), User ID and Password as provided on the cover page of notice.
- ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

### Other Instructions

- I. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download Section of <https://evoting.karvy.com> (Karvy Website) or contact Shri Ramesh Desai, (Unit: Indraprastha Gas Limited) of Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 67162222 or call Karvy's toll free No. 1800-3454-001 for any further clarifications.
- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- III. In case any person becomes member of the Company after dispatch of Notice of AGM and holds shares as on the cut-off date for e-voting i.e., September 17, 2019, he/she may obtain the User ID and Password in the manner as mentioned below :
  - i. If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD<space> DP ID Client ID to 9212993399  
  
Example for NSDL:  
MYEPWD <SPACE> IN12345612345678  
  
Example for CDSL:  
MYEPWD <SPACE> 1402345612345678
  - ii. If the mobile number of the member is registered against shares held in physical form the member may send SMS: MYEPWD<space> Event no. + Folio no. to 9212993399.

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

- iii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iv. Member may call Karvy's toll free number 1800-3454-001.
- v. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavor to send User ID and Password to those new members whose mail ids are available.
- h) Once the vote on a resolution is cast by a member, the member shall not be allowed to modify it subsequently. The Company shall also provide facility for voting through polling at the Meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the AGM. A member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- i) The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- j) The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being September 17, 2019. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- k) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company (<https://www.iglonline.net>) and on Karvy's website (<https://evoting.karvy.com>).

### Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

#### Item No. 3

As per Section 142 of the Companies Act, 2013, the remuneration payable to the Auditor shall be fixed in the General Meeting of the Company or in such manner as may be determined therein. Further, as per Section 177 of Companies Act, 2013, read with regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Audit committee

will recommend the appointment and fixation of remuneration of Statutory Auditor to the Board.

In exercise of the powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) appoints Statutory Auditor of the Company. Accordingly, on receipt of communication from CAG regarding appointment of Statutory Auditor, Board of Directors decide and fix the remuneration of Statutory Auditor on the recommendation of the Audit Committee. The remuneration will commensurate with the quantum of

work required to be undertaken by the Statutory Auditor and amendments in prevailing Laws & Regulations.

The Board of Directors of the Company recommends the resolution set out in item no. 3 for your approval.

#### Item No. 4

Shri Gajendra Singh was nominated by GAIL (India) Limited (GAIL) as a Director & Chairman of the Company. The Board of Directors appointed Shri Gajendra Singh, as an Additional Director and Chairman w.e.f. January 14, 2019.

As per the provisions of Section 161 of the Companies Act, 2013, he shall hold office upto the date of Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the Directorship of the Company.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds directorships, committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the resolution set out in item no. 4 for your approval.

Other than Shri Gajendra Singh and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolution.

#### Item No. 5

In terms of Article 121 (A) (iii) of the Articles of Association of the Company, Shri E. S. Ranganathan was nominated by GAIL (India) Limited (GAIL) as Managing Director w.e.f. June 1, 2016 for a period of three years. Accordingly, Board of Directors appointed Shri E. S. Ranganathan as Managing Director on the terms & conditions of appointment including remuneration forwarded by GAIL vide its letter nos. GAIL/CO/ TRF/06/2016 dated June 2, 2016 and 22/02/53/2054/2016(Revised) dated June 9, 2016.

At 17th AGM of the Company held in the year 2016, Shareholders approval was accorded for the appointment of Shri E. S. Ranganathan as Managing Director w.e.f. June 1, 2016 for a period of three years i.e. till May 30, 2019.

GAIL further extended the tenure of Shri E. S. Ranganathan as Managing Director w.e.f. June 1, 2019 to April 30, 2020. Accordingly, Board of Directors extended tenure of Shri E. S. Ranganathan as Managing Director on the terms & conditions of appointment including remuneration forwarded by GAIL vide its letter no. GAIL/CO/TRF/05/2019 dated May 10, 2019 and letter no. 22/02/53/2054/2019 dated May 15, 2019.

Major terms & conditions of his appointment as Managing Director are as under:

- I. Shri E. S. Ranganathan shall have the power of general conduct and management of the business and affairs of the Company.
- II. Salary:  
Shri E. S. Ranganathan shall draw his salary and benefits as per his service conditions from GAIL and in respect of which all expenses including contributions

towards Provident Fund, Pension and Gratuity shall be reimbursed to GAIL by the Company as stated more particularly herein under:

Pay Scale: Rs. 1,50,000 - 3,00,000/-

Particulars	Rs./ Month
Basic Pay	2,32,170
Variable DA (10% w.e.f. 01.04.2019)	23,217
HRA @ 24% of Basic Pay per Month	55,721
Perquisites and allowance	81,260
Secondment Allowance	8,000

Variable DA: VDA is subject to change every quarter.

Housing: Shri E. S. Ranganathan is drawing HRA.

Company Car & Telephone: Car and Telephone to be provided by the Company or reimbursement to be made as per his entitlement.

Other Benefits: Shri E. S. Ranganathan is also entitled to reimbursement of cost of spectacles and medical reimbursement for self and dependent family members, briefcase, newspaper reimbursement, leave encashment etc. as per GAIL Rules, which will be borne by the Company. In addition, he is entitled for incentive under Performance Related Pay (PRP) as per GAIL rules.

Pension and superannuation benefits: Shri E. S. Ranganathan remains on the roles of GAIL and therefore shall be governed by the Rules and Regulations of GAIL in respect of superannuation benefit funds.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he hold directorship, committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the resolution set out in item no. 5 for your approval.

Other than Shri E. S. Ranganathan and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolution.

#### Item No. 6 & 7

The Board of Directors appointed Amit Garg (DIN: 08515246), as an Additional Director w.e.f. July 25, 2019. As per the provisions of Section 161 of the Companies Act, 2013, he shall hold office upto the date of Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the Directorship of the Company.

In terms of Article 121 (A) (iii) of the Articles of Association of the Company, Shri Amit Garg was nominated by Bharat Petroleum Corporation Limited (BPCL) as Director (Commercial) w.e.f. July 25, 2019 to July 24, 2022 on the terms and conditions of appointment including remuneration forwarded by BPCL vide its letter dated July 23, 2019 and email dated July 23, 2019. Accordingly, Board of Directors also appointed Shri Amit Garg as Director (Commercial).



Major terms & conditions of his appointment as Director (Commercial) are as under:

- I. Shri Amit Garg shall have the power of general conduct and management of the business and affairs of the Company.
- II. Salary:

Shri Amit Garg shall draw his salary and benefits as per his service conditions from BPCL and in respect of which all expenses including contribution towards Provident Fund, Pension and Gratuity shall be reimbursed to BPCL by the Company as stated more particularly herein under :

Particulars	Rs./ Month
Basic Pay	2,07,430
DA @ 12.4% of Basic Pay and Stagnation Increment	25,721
HRA	49,783
Deputation Allowance (5% of Basic Pay subject to ceiling of Rs. 4,500 p.m.)	4,500
Perks & Allowances (35% of Basic Pay and Stagnation Increment)	72,601
Retirement Benefits (30% of Basic Pay, DA and Stagnation Increment)	69,945

Variable DA: VDA is subject to change every quarter.

Accommodation: He is entitled to Company maintained accommodation or HRA applicable to the location.

Other perquisites and benefits: Shri Amit Garg is entitled for Performance Related Pay and other perquisites / entitlements / benefits, as applicable to him from time to time in BPCL.

His brief resume, the nature of his expertise in specific functional areas, name of companies in which he holds Directorship, Committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the resolutions set out in item nos. 6 & 7 for your approval.

Other than Shri Amit Garg and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolutions.

#### Item No. 8

Shri R. P. Natekar was nominated by GAIL (India) Limited as a Director of the Company. The Board of Directors appointed Shri R. P. Natekar, as an Additional Director w.e.f. January 14, 2019.

As per the provisions of Section 161 of the Companies Act, 2013, he shall hold office upto the date of Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the Directorship of the Company.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorships, Committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the resolution set out in item no. 8 for your approval.

Other than Shri R. P. Natekar and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolution.

#### Item No. 9

Shri Rajeev Verma was nominated by Government of NCT of Delhi as a Director of the Company. The Board of Directors appointed Shri Rajeev Verma, as an Additional Director w.e.f. June 21, 2019.

As per the provisions of Section 161 of the Companies Act, 2013, he shall hold office upto the date of Annual General Meeting. The Company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the Directorship of the Company.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorships, Committee memberships/ chairmanships, his shareholding etc., are separately annexed hereto.

The Board of Directors recommends the resolution set out in item no. 9 for your approval.

Other than Shri Rajeev Verma and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolution.

#### Item No. 10 to 14

Smt. Saroj Bala, Dr. Akhilesh Kumar Ambasht, Shri Rajib Sekhar Sahoo, Shri Ramesh Narain Misra & Shri Deepak Mishra, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act and Listing Regulations. Pursuant to the Nomination and Remuneration Committee recommendation and in the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

The Board of Directors are of the opinion that Smt. Saroj Bala, Dr. Akhilesh Kumar Ambasht, Shri Rajib Sekhar Sahoo, Shri Ramesh Narain Misra & Shri Deepak Mishra possesses relevant expertise and experience and are eligible for the position of Independent Directors of the Company and fulfils the conditions specified by the Companies Act, 2013 and the Listing Regulations. The Board considers that their association as Independent Directors will be beneficial and in the best interest of the Company.

Their brief resume, the nature of their expertise in specific functional areas, shareholding etc., are separately annexed hereto.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The Board of Directors recommends the resolutions set out in item nos. 10 to 14 for your approval.

Other than Smt. Saroj Bala, Dr. Akhilesh Kumar Ambasht, Shri Rajib Sekhar Sahoo, Shri Ramesh Narain Misra & Shri Deepak Mishra and their relatives none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolutions.

#### **Item No. 15**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment M/s Ramanath Iyer & Co., New Delhi, Cost Accountants as the Cost Auditor of the Company for the FY 2019-20. The remuneration proposed to be paid to the Cost Auditors, would be Rs. 2.50 Lakhs (Rupees Two Lakhs Fifty Thousand only) plus out of pocket expenses with a cap of 10% of the fees, cost of travel (in case meeting to be attended by them takes place outside NCT of Delhi) on actuals and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 15 for approval of the shareholders as an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested in the resolution.

#### **Item No. 16**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), GAIL (India) Limited ('GAIL') is a related party of the Company. During the financial year 2018-19, the Company under a contract with GAIL (Nominee of Government of India) for NCT of Delhi purchased APM gas amounting to Rs. 1113.02 Crores, at a price determined by Government of India, from time to time.

The purchases under this contract exceed 10% of the annual turnover of the Company as per the last audited financial statement i.e. of financial year 2018-19. Pursuant to the Listing Regulations, the said transaction is a material related party transaction and thus, requires shareholders' approval by way of an Ordinary Resolution.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 16 for approval of the shareholders as an Ordinary Resolution.

Other than Shri Gajendra Singh, none of the Directors, Key Managerial Personnel of the Company / their relatives is, in the way, concerned or interested in the resolution.

**By Order of the Board**

Place : New Delhi  
Date : August 14, 2019

Sd/-  
**(S. K. Jain)**  
Company Secretary



## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR SEPTEMBER 24, 2019

Name of the Director	Shri Gajendra Singh	Shri E. S. Ranganathan	Shri Amit Garg	Shri R. P. Natekar	Shri Rajeev Verma	Smt. Saroj Bala	Dr. A. K. Ambasht	Shri R. S. Sahoo	Shri R. N. Misra	Shri Deepak Mishra
Date of Birth	June 15, 1960	May 30, 1963	March 02, 1967	August 11, 1962	December 12, 1966	April 04, 1949	August 02, 1958	July 1, 1962	November 20, 1957	November 09, 1958
Date of Appointment/ Re-appointment	January 14, 2019	June 01, 2019	July 25, 2019	January 14, 2019	June 21, 2019	February 11, 2019	February 11, 2019	February 11, 2019	June 11, 2019	June 13, 2019
Qualification	M.sc (Physics)	Instrumentation & control engineer and post graduate in management (specialization in marketing)	A post graduate in Electronics & Management	M.com, MBA, ICWA, Executive MBA from Indian School of Business	IAS	Retired Indian Revenue Service officer	Retired Indian Forest Service officer	CA	MBA, M.Tech, B.E., B.sc	Retired Indian Police Service officer
Expertise in specific functional area	He has over 32 years of experience in hydrocarbon sector. He has been involved in the execution of several prestigious projects of GAIL starting from the HVJ and has held various leadership and strategic positions. Currently, he is a Director (Marketing) of GAIL	He has rich and vast experience of pipeline project execution, operation & maintenance of natural gas pipelines and compressor stations.	He is a senior leader in Oil & Gas space having a rich and varied experience of over 32 years across the entire value chain in the industry including sourcing, storage, logistics and sales in BPCL.	He has spectrum of experience including inter-alia Head of LPG business, Head of Industrial and Commercial business, Head of treasury, Heading various functions in finance. Currently, he is an Executive Director-Gas at BPCL.	He is an IAS officer and presently holding position of Principal Secretary cum Commissioner (Transport) in Govt. of NCT of Delhi.	She is a retired Indian Revenue Service (IRS) officer. She has been a former member of CDBT and BIFR	He is a retired Indian Forest Service (IFS) officer. He has held senior positions in various government departments and retired as Principal Chief Conservator of forest	He is a Practicing Chartered Accountant. He has extensive experience in Oil, Power, Infrastructure, Urban development and Banking etc.	He was Chairman & Managing Director of SJVN Limited, a Central Government Mini Ratna Schedule "A" Public Sector Enterprise. He has around four decades of experience in water resources and power sector	He is a retired Indian Police Service (IPS) Officer. He held senior positions in various police departments and Central Police Reserve Force (CRPF)
List of other Companies in which Directorship held	GAIL (India) Limited, Gail Gas Limited, Bengal Gas Company Limited and Gail (Global) Singapore Pte. Limited	Central U. P. Gas Limited	Nil	Maharashtra Natural Gas Limited, Bharat Gas Resources Limited, Sabarmati Gas Limited & Haridwar Natural Gas Private Limited	Delhi Integrated Multi Modal Transit System Limited, Delhi Transport Infrastructure & Haridwar Development Corporation Limited, Delhi Transport Corporation & Delhi Finance Corporation	CSC E-Governance Services India Limited	Nil	Odisha State Civil Supplies Corporation Limited & Kalinga Hospital Limited	PTC India Ltd.	Nil
Chairman/member of the Committee of Board of Directors of other Companies	Audit Committee - Gail Gas Limited- Member, Audit Committee- Bengal Gas Company Limited - Chairman	Nil	Nil	CSR- Sabarmati Gas Limited - Member, Nomination Remuneration Committee - Maharashtra Natural Gas Limited- Member	Nil	Nil	Nil	Audit Committee - Odisha State Civil Supplies Corporation Limited - Chairman Audit Committee - Kalinga Hospital Limited - Chairman	Nil	Nil
Shareholding in the Company	Nil	500	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Relationship with other Directors	No	No	No	No	No	No	No	No	No	No



**INDRAPRASTHA GAS LIMITED**

Regd. Office: IGL Bhawan, 4, Community Centre, Sector-9, R. K. Puram, New Delhi-110022  
CIN: L23201DL1998PLC097614, Website: [www.iglonline.net](http://www.iglonline.net)  
Email: investors@igl.co.in, Tel No.: 011-46074607, Fax No.: 011-26171863

**ATTENDANCE FORM**

Member(s) or his's/her's/theirs's proxies (ies) are requested to present this form for admission, duly signed in accordance with his/her/their specimen signature(s) registered with the Company.

Name: \_\_\_\_\_ Client ID \_\_\_\_\_

No. of Shares \_\_\_\_\_ Folio No. \_\_\_\_\_ DP ID. No. \_\_\_\_\_

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of Indraprastha Gas Limited to be held on Tuesday, the September 24, 2019, at 11:30 AM at Airforce Auditorium, Subroto Park, New Delhi - 110010, or any adjournment thereof.

Please √ in the box.      Member       Proxy

\_\_\_\_\_  
Name of the Proxy in Block Letters

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Proxy's Signature



**INDRAPRASTHA GAS LIMITED**

Regd. Office: IGL Bhawan, 4, Community Centre, Sector-9, R. K. Puram, New Delhi-110022  
CIN: L23201DL1998PLC097614, Website: [www.iglonline.net](http://www.iglonline.net)  
Email: investors@igl.co.in, Tel No.: 011-46074607, Fax No.: 011-26171863

**PROXY FORM - MGT - 11**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):.....

Registered Address:.....

E-mail Id: .....

Folio No / Client Id: ..... DP ID: .....

I / We, being the member(s) holding \_\_\_\_\_ shares of the above mentioned Company, hereby appoints

- 1. Name: ..... E-mail Id: .....  
Address: .....  
Signature: ....., or failing him/her.....
- 2. Name: ..... E-mail Id: .....  
Address: .....  
Signature: ....., or failing him/her.....
- 3. Name: ..... E-mail Id: .....  
Address: .....  
Signature: ....., or failing him/her.....



as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the twentieth Annual General Meeting of the Company to be held on the 24th day of September, 2019 at 11:30 AM at Airforce Auditorium, Subroto Park, New Delhi - 110010 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1.	To receive, consider and adopt the (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 (b) the Audited Consolidated Financial Statements for the financial year ended March 31, 2019; and the reports of the Board of Directors and the Statutory Auditor and the comments of Comptroller & Auditor General of India thereon.
2.	To declare a Dividend on equity shares for the financial year ended March 31, 2019.
3.	Approval of remuneration payable to Statutory Auditor of the Company.
4.	Appointment of Shri Gajendra Singh as a Director of the Company.
5.	Re-appointment of Shri E. S. Ranganathan as Managing Director and approval of his remuneration.
6.	Appointment of Shri Amit Garg as a Director of the Company, not liable to retire by rotation.
7.	Appointment of Shri Amit Garg as Director (Commercial) and approval of his remuneration.
8.	Appointment of Shri R. P. Natekar as a Director of the Company
9.	Appointment of Shri Rajeev Verma as a Director of the Company.
10.	Appointment of Smt. Saroj Bala as an Independent Director of the Company.
11.	Appointment of Dr. Akhilesh Kumar Ambasht as an Independent Director of the Company.
12.	Appointment of Shri Rajib Sekhar Sahoo as an Independent Director of the Company.
13.	Appointment of Shri Ramesh Narain Misra as an Independent Director of the Company.
14.	Appointment of Shri Deepak Mishra as an Independent Director of the Company.
15.	Ratification of the remuneration payable to Cost Auditor of the Company for the Financial Year ending March 31, 2020.
16.	Approval of material Related Party Transactions under a contract entered with GAIL (India) Limited.

Signed this ..... day of ....., 2019

Signature of Shareholder (s)

Signature of Proxy Holder (s)

Revenue Stamp of Re 1
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**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
- A Proxy need not be a member of the Company.**