Gujarat State Petronet Ltd.
GSPL Bhavan,
E-18, GIDC Electronics Estate, Nr. K-7 Circle,
Sector-26, Gandhinagar-382028.
Tel.: +91-79-23268500/600 Fax : +91-79-23268506
Website : www.gspcgroup.com

Ref: GSPL/S&L/2019-20

Date: 29th August, 2019

To	To
The Manager (Listing)	The Manager (Listing)
The Stock Exchange, Mumbai	**The National Stock Exchange of India Ltd.**
Phiroze Jeejeebhoy Towers,	"Exchange Plaza", Bandra-Kurla
Dalal Street, Mumbai – 400 001.	Complex, Bandra (E), Mumbai – 400 051,
Fax No. 022-22722037-22723121-	Fax No. : 022-26598237/38
Company Code: 532702	Company Code: GSPL

Dear Sir,

Sub: 21st Annual General Meeting and Book Closure.

This is to inform you that the 21st Annual General Meeting of the Company is scheduled to be held on Tuesday, 24th September, 2019. Copy of the Annual Report 2018 – 19 along with the Notice convening the 21st Annual General Meeting is enclosed herewith.

Further, the Register of Members and Share Transfer Books of the Company will remain closed for the period from Saturday, 14th September, 2019 to Tuesday, 24th September, 2019 (both days inclusive) for the purpose of payment of Dividend for the Financial Year 2018 - 2019 and Annual General Meeting.

The Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after Tuesday, 1st October, 2019 to those

Members whose names appear in the Register of Members as at the close of business hours on 13th September, 2019.

We would further like to inform you that the Company has fixed 17th September, 2019 as the cut-off date for the purpose of e-voting, for ascertaining the names of the Shareholders holding Shares either in physical form or in dematerialized form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted at the 21st Annual General Meeting of the Company scheduled to be held on 24th September, 2019. The e-voting period commences on 20th September, 2019 to 23rd September, 2019. During this period, the Members of the Company as on the cut-off date, being 17th September, 2019, may cast their vote by electronic means.

This is for your record and reference.

Thanking you.

Yours faithfully,
For Gujarat State Petronet Limited,

Desai Reena

GUJARAT STATE PETRONET LTD. GP GANDHINAGAR

Reena Desai
Company Secretary

C/C to:

1. National Securities Depositories Limited, Mumbai
2. Central Securities Depositories Limited, Mumbai
3. M/s Karvy Fintech Private limited, Hyderabad

Gujarat State Petronet Limited

The Energy Lifeline of Gujarat

ANNUAL REPORT

2018-19

Board of Directors

Shri M M Srivastava, IAS (Retd.)	*Chairman*
Shri Arvind Agarwal, IAS	
Shri Sujit Gulati, IAS	*(upto 16th July, 2018)*
Shri Raj Gopal, IAS	*(upto 1st February, 2019)*
Smt. Shridevi Shukla	
Dr. R Vaidyanathan	
Prof. Yogesh Singh	
Dr. Bakul Dholakia	
Dr. Sudhir Kumar Jain	
Shri Bhadresh Mehta	
Shri Bimal N Patel	
Dr. T Natarajan, IAS	*Joint Managing Director (upto 22nd August, 2019)*
Dr. J N Singh, IAS	*Managing Director*

Company Secretary
Ms. Reena Desai

Subsidiary Companies
GSPL India Gasnet Limited
GSPL India Transco Limited
Gujarat Gas Limited

Registrar & Share Transfer Agent
Karvy Fintech Private Limited,
Hyderabad

Statutory Auditors
M/s Anoop Agarwal & Co.,
Chartered Accountants,
Ahmedabad

Associate Companies
Sabarmati Gas Limited

Internal Auditors
M/s K C Mehta & Co.,
Chartered Accountants,
Ahmedabad

Secretarial Auditors
M/s Manoj Hurkat & Associates
Practising Company Secretaries,
Ahmedabad

Cost Auditors
M/s N D Birla & Co.,
Cost Accountants, Ahmedabad

Registered Office
GSPC Bhavan, Behind Udyog Bhavan,
Sector-11, Gandhinagar-382010, Gujarat

Corporate Office
GSPL Bhavan, E-18, GIDC Electronic
Estate, Sector-26, Gandhinagar-382028
Gujarat

Bankers
Axis Bank Ltd.
Bank of Baroda
Corporation Bank
Central Bank of India
DCB Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
IDFC First Bank Ltd.
Kotak Mahindra Bank Ltd.
RBL Bank Ltd.
State Bank of India
The South Indian Bank Ltd.
Union Bank of India
Yes Bank Ltd.

Contents

Board of Directors

Shri M M Srivastava, IAS (Retd.), *Chairman*

Shri M M Srivastava, IAS, (Retd.) has graduated in Science from Delhi University and has completed his Masters in Physics from Delhi University. He has also done MBA (Marketing) from University of Ljubljana, Slovenia. He has wide administrative and corporate experience. He has held various positions in Government Departments prior to his retirement including Member (Finance), Gujarat Electricity Board, Managing Director of Gujarat Agro Industries Corporation, Secretary in Finance Department, Commissioner of Commercial Tax Department, Principal Secretary to Energy and Petrochemicals Department and Additional Chief Secretary to Finance Department, Government of Gujarat.

Shri Arvind Agarwal, IAS, *Non - Executive Director*

Shri Arvind Agarwal, IAS, is a very Senior IAS Officer of Government of Gujarat. He has done Post Graduation in Commerce. He has very rich and varied experience of around 34 years and has held distinguished positions in Government of Gujarat viz. District Development Officer and Collector - Bharuch, Labour Commissioner, Industries Commissioner, Additional Chief Secretary, Education, Industries & Mines Departments, Government of Gujarat. He was Managing Director, Gujarat State Financial Corporation Limited, Vice Chairman & Managing Director, Gujarat Industrial Development Corporation (GIDC). He has rich experience in the field of Finance, Management and Administration. He has authored a Book in Gujarati viz. "Panchayat Parichay". He was awarded as "Best Collector" during his posting in Bharuch. Presently, he is Additional Chief Secretary, Finance Department, Government of Gujarat.

Smt. Shridevi Shukla, *Woman Independent (Additional) Director*

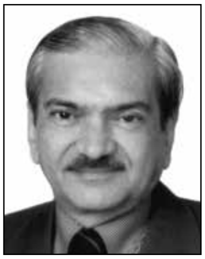
Smt. Shridevi Shukla has done B.A in Economics. She has wide administrative and corporate experience. Prior to her retirement, she held various senior level positions in Government of Gujarat Departments viz. Industries and Mines, Finance, Science and Technology and General Administration etc. Subsequent to her retirement, she was appointed as Officer on Special Duty (Industries and Mines) and Appellate Authority (Mines), Industries and Mines Department from September, 2010 to February, 2014. Thereafter, she was appointed as State Information Commissioner, Gujarat Information Commission from May, 2014 to February, 2015.

Dr. R Vaidyanathan, *Independent Director*

Dr. R Vaidyanathan is a retired Professor of Finance at IIM - Bangalore. He is two times Fulbright scholar and a Fellow of ICSSR-Visiting Faculty at various universities in USA/UK. He has been selected by Business Today as one of the ten best professors at all IIMS. He has the rare privilege of being in various committees of regulators like SEBI/RBI/IRDA/PFRDA. He is consultant to many organizations and is on the Board of many Corporates. His book India Uninc--Role of Non-corporate sectors in India which focus on Indian/ Asian value systems has been well received by planners and policy makers. His recent books on "Black money and Tax Havens" and "Caste as social Capital" has been acclaimed by experts and are very well received by all. He is on the Advisory council of ViF and Member of National Security Advisory Board. Currently, he is Cho S Ramaswamy Chair Professor in Public Policy at Sastra University.

Prof. Yogesh Singh, *Independent Director*

Prof. Yogesh Singh holds M. Tech. and Ph.D (Computer Engineering) degrees from National Institute of Technology, Kurukshetra, Haryana. Presently, he is Vice Chancellor, Delhi Technological University. Prior to the same he was Director, Netaji Subhash Institute of Technology (NSIT), New Delhi. He had also held position of Vice Chancellor, The Maharaja Sayajirao University of Baroda, Vadodara. Prof. Singh has a sustained track record of quality teaching, innovation and excellent research contributions in the field of Software Engineering. He has to his credit 285 publications in reputed National/International Journals and Conferences with 'h' index of 30 as reported by Google Scholar and produced 23 Ph.D scholars. He is an author of a book on 'Software Testing' which is published by Cambridge University Press, England. He was the Chairman of the Central Regional Committee, All India Council of Technical Education (AICTE), Bhopal, covering areas like Madhya Pradesh, Chhattisgarh and Gujarat. He is the Chairman, Governing Board, Information & Library Network (INFLIBNET) Center, Gandhinagar.



Dr. Bakul Dholakia, *Independent Director*

Dr. Bakul Dholakia holds degree of M.A. (Economics), Gold Medalist and has done Ph.D. (Economics) from MS University, Baroda. Dr. Bakul Dholakia served as Director General of International Management Institute (IMI) of Delhi. Prior to joining IMI, he was the Director of Adani Institute of Infrastructure Management & Gujarat Adani Institute of Medical Sciences, Bhuj. He has more than 47 years of professional experience including 33 years at IIM, Ahmedabad. During the course of his long tenure at IIM Ahmedabad, Dr. Bakul Dholakia occupied the Reserve Bank of India Chair from 1992 to 1999, served as the Dean from 1998 to 2001 and as the Director of IIMA from 2002 to 2007. Dr. Dholakia was the Chairman of the National Board of Accreditation for Technical Education in India from 2005 to 2008. He has guided 20 Ph.D. students specializing in Economics, Finance, Business Policy and Public Systems. Dr. Dholakia is the author of 12 books, 28 monographs and more than 50 research papers published in professional journals in India & abroad. In 2007, Dr. Dholakia was awarded Padma Shri by the Government of India in recognition of his distinguished services in the field of education. In 2008, Dr. Dholakia was conferred the coveted Bharat Asmita National Award by the Honorable Chief Justice of India. In 2017, Dr. Dholakia received the prestigious AIMA Academic Leadership Award for his outstanding contribution to management education in India. Over the last two decades, Dr. Dholakia has worked on numerous government committees. He has also been a member of the jury for various Corporate Excellence Awards and Selection Committees for CEOs. The Competition Commission of India has appointed Dr. Dholakia as a member of the Eminent Person Advisory Group. He has been a consultant to various national and international organisation.

Dr. Sudhir Kumar Jain, *Independent Director*

Dr. Sudhir Kumar Jain is an active academic and a passionate academic administrator. He has been on the faculty of IIT Kanpur (IITK) since 1984 from where he was on leave to the new Indian Institute of Technology Gandhinagar (IITGN) in Ahmedabad to shoulder the responsibilities of its Director where he continued as Director from June 2009 to June 2019. Dr. Jain holds a Bachelor of Engineering from the University of Roorkee, and Masters and Doctoral degrees from the California Institute of Technology, Pasadena. He was elected to the Board of Directors of the International Association for Earthquake Engineering in 2000, and was its President during 2014 to 2018. He also served on the Board of Directors of the World Seismic Safety Initiative from 2002 to 2009. He was elected Fellow of the Indian National Academy of Engineering in 2003, and was conferred Life Membership by the New Zealand Society for Earthquake Engineering (NZSEE) in 2013. Presently, Prof. Jain is a Professor of Civil Engineering at IIT Kanpur.

Shri Bhadresh Mehta, *Independent Director*

Shri Bhadresh Mehta is Chartered Accountant, Company Secretary and Cost Accountant by qualification. He holds professionally qualified senior managerial experience with a proven success of over 22 years in steering finance and audit functions of reputed business groups. His areas of specialization are strategic planning, financial management, auditing, risk assessment and management.

Shri Bimal N Patel, *Independent Director*

Shri Bimal N Patel, Ph.D (International Law - Leiden, the Netherlands), Ph.D (International Law - Jaipur), LLM, MA, BSc, is officer on special duty of Raksha Shakti University and the former Director of the Gujarat National Law University, Gandhinagar. Shri Bimal N Patel is professor of Public International Law. He is also a Member of the Law Commission of India, National Security Advisory Board and Advisor, Financial Sector Regulatory Appointments Search Committee, Insolvency and Bankruptcy Board of India Regulations Committee, Government of India. He has been involved in drafting several national and state primary and secondary legislations, regulations, rules. A former United Nations civil servant, scholar and academician of international law, international relations and diplomacy, Professor Patel possesses 27 years experience in public international law, law of the sea, maritime laws, international relations, international courts and tribunals. Professor Patel is a member or advisor on committees of various governmental and academic institutions and agencies. Professor Patel is author / editor of 15 books and more than 50 research papers / articles published in leading international and national peer-reviewed journals.

Dr. J N Singh, IAS, *Managing Director*

Dr. J N Singh, IAS has done M.A. (International Studies, JNU), MDM (AIM, Manila), Ph.D from M S University. He has wide experience of working in various Government Departments and Public Sector Undertakings. He has held various key positions like Additional Chief Secretary (Finance Department) Govt. of Gujarat, Principal Secretary (Science and Technology Department), Textile Commissioner, Mumbai, Member (Fin), NHAI, Delhi, Managing Director, Sardar Sarovar Narmada Nigam Ltd. He has served largely in Infrastructure and Finance Sector having handled Industrial Infrastructure, Power, Telecom, Highways and water. His Ph.D in Political Economy examined the tripartite relationship of Power Sector, Ground Water Resources and Agriculturists in the context of Gujarat. At present, he is Chief Secretary, Govt. of Gujarat.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT POLICY

GSPL commits a high level of QHSE performance to ensure effective and efficient management of Operation and Maintenance of Natural Gas Grid with continual improvements so as to provide reliable natural gas transmission in a safe working environment.

GSPL is committed to:

- Maintain an organizational culture of Occupational Health, Safety & Environmental and Quality excellence by conducting its business in a manner that will promote consistent development.
- Safe work, resource conservation, waste management to reduce pollution and emergency response measures for continual improvement in QHSE performance.
- Design, construct, operate & maintain its facilities while assuring the best material and service quality and operate in a way that mitigates and minimizes risks and hazards.
- Prevention of ill-health and injuries by adopting best occupational health and safety practices, carrying out periodic risk assessments, audits, reviews, inspections and providing awareness to employees and concerned stakeholders.
- Comply with legal, regulatory and other requirements applicable for natural gas transportation business as a responsible corporate.
- Provide appropriate resources and PPEs to its employees.
- Focusing on teamwork and stakeholder satisfaction, adopting new technologies in O & M activities, maintaining availability of Gas Grid to meet customer requirements and reviewing of process and performance of QMS on regular basis.
- Encourage associates and stakeholders to demonstrate commitment for continuous improvement in HSE performance and HSE objective setting process.
- Ensure compliance with the Policy through a process of training and competence, review and audit leading to commitment towards Occupational Health, Safety and Environmental protection.
- Communicate openly with Government agencies, employees, contractors and the general public on Occupational Health, Safety and Environmental management issues.
- Delegate power to employees to implement the Company's Policy on Occupational Health, Safety and Environment.

NOTICE

Notice is hereby given that 21st Annual General Meeting of the members of Gujarat State Petronet Limited will be held on Tuesday, the 24th day of September, 2019 at 3.30 p.m. at Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector – 11, Gandhinagar - 382010 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements *(Standalone & Consolidated)* of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri M M Srivastava, IAS (Retd.) [DIN: 02190050] who retires by rotation and being eligible offers himself for re-appointment and to pass following resolution as an Ordinary Resolution:

   "RESOLVED THAT Shri M M Srivastava, IAS (Retd.) [DIN: 02190050] who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director and Chairman of the Company, liable to retire by rotation."
4. To authorize Board of Directors to fix remuneration of Statutory Auditors of the Company for the Financial Year 2019 - 20 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 Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India for the Financial Year 2019 - 20."

SPECIAL BUSINESS

5. **To approve appointment of Smt. Shridevi Shukla [DIN: 02028225] as an Independent Director of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Smt. Shridevi Shukla [DIN: 02028225], who was appointed as an Additional/Independent Director pursuant to provisions of Sections 149, 152, 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies [Appointment and Qualifications of Directors] Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, and who being qualified and eligible for appointment as an Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years effective from 27th March, 2019, subject to review of annual performance, and whose term of office shall not be liable to retirement by rotation."
6. **To approve re-appointment of Prof. Yogesh Singh [DIN: 06600055] as an Independent Director of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT Prof. Yogesh Singh [DIN: 06600055], who was appointed as an Independent Director pursuant to provisions of Sections 149, 152, 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies [Appointment and Qualifications of Directors] Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and who holds office as an Independent Director upto 24th September, 2019 and who being qualified and eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (Five) consecutive years effective from 25th September, 2019, subject to review of annual performance and whose term of office shall not be liable to retirement by rotation."
7. **To approve re-appointment of Dr. Bakul Dholakia [DIN: 00005754] as an Independent Director of the Company and to approve continuance of his directorship after attainment of 75 years of age.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT Dr. Bakul Dholakia [DIN: 00005754], who was appointed as an Independent Director pursuant to provisions of Sections 149, 152, 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies [Appointment and Qualifications of Directors] Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], Regulation 17 (1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and who holds office as an Independent Director upto 24th September, 2019 and who being qualified and eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and further who will be attaining the age of 75 (Seventy Five) years on 15th July, 2022 and in respect of whom, the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (Five) consecutive years effective from 25th September, 2019, subject to review of annual performance and whose term of office shall not be liable to retirement by rotation."

8. To ratify the remuneration payable to M/s N D Birla & Co., Cost Auditors of the Company for the Financial Year ending 31st March, 2020.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies [Audit and Auditors] Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force], M/s N D Birla & Co., Cost Accountants, Ahmedabad, 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 31st March, 2020 be paid the remuneration of ₹ 1,00,000/- [Rupees One Lac Only] plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of Audit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such actions as may be necessary for implementing the above Resolution."

9. To approve payment of remuneration to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman [DIN: 02190050].

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof for the time being in force] and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby accords its approval to the payment of monthly remuneration derived on the basis of "last pay drawn minus pension" as stipulated vide Resolution No. GPC-10-2010-110000-E of Govt. of Gujarat dated 10th May, 2013 and letter dated 26th August, 2019 to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman [DIN: 02190050] w.e.f. 24th August, 2019 for the period of six months or till further orders by Govt. of Gujarat, which ever is earlier.

RESOLVED FURTHER THAT Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman [DIN: 02190050] shall also be entitled to perquisites/benefits/allowances as stipulated in the said GOG Resolutions.

RESOLVED FURTHER THAT the Company hereby accords its approval and authorizes the Board of Directors of the Company to agree to any revision/increase, variation, modification or amendment as may be decided from time to time by the Govt. of Gujarat in the terms and conditions of payment of remuneration including perquisites to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman [DIN: 02190050] in accordance with applicable provisions under the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to the above Resolutions."

Date: 27th August, 2019
Place: Gandhinagar

For Gujarat State Petronet Limited

Registered Office
GSPC Bhavan, Sector - 11,
Gandhinagar - 382 010.

Reena Desai
Company Secretary

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY TO BE VALID AND EFFECTIVE MUST REACH TO THE CORPORATE OFFICE OF THE COMPANY SITUATED AT GSPL BHAVAN, E-18, GIDC ELECTRONIC ESTATE, SECTOR - 26, GANDHINAGAR - 382028 MINIMUM 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% [TEN PERCENT] OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% [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.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. Members / Proxies/Authorized Representatives are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

   The Attendance Slip and Proxy Form are annexed elsewhere in the Annual Report.

4. Members desirous of getting any information related to accounts or operations of the Company are requested to send in their queries so as to reach the Company's Corporate Office situated at GSPL Bhavan, E-18, GIDC Electronic Estate, Sector - 26, Gandhinagar - 382028 atleast 7 days in advance before the date of Meeting to enable the management to keep the information ready.

5. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 14th September, 2019 to Tuesday, 24th September, 2019 (both days inclusive) for the purpose of payment of the Dividend. The Dividend, if declared at the ensuing Annual General Meeting shall be paid, on or after Tuesday, 1st October, 2019 to those Members of the Company whose names appear (a) as beneficial owners as at the close of business hours on 13th September, 2019 as per the list to be furnished by the depositories in respect of the Shares held in electronic form; and (b) as Members in the Register of Members of the Company as at the close of business hours on 13th September, 2019 after giving effect to all valid Share Transfers in physical form received on or before 13th September, 2019.

6. All transfer deeds, requests for change of address, bank particulars /mandates/ECS mandates, PAN should be lodged with Company's Registrar and Share Transfer Agent (R&TA), Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 0032, in case of Shares held in physical form on or before 13th September, 2019. The above details in respect of the Shares held in electronic form should be sent to the respective Depository Participants by the Members well in time.

7. Members are requested to furnish the R&TA / Depository Participants, the name and address of the branch of the bank, MICR code of the branch, type of account and account number to enable the Company to distribute Dividend through National Electronic Clearing Services (NECS). In the absence of NECS facility with the Member's bank, the bank account details will be printed on the Dividend Warrants, if available.

8. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, if not submitted, Members holding Shares in electronic mode are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Further, the Members holding Shares in physical form can submit their PAN details to Karvy Fintech Private Limited.

9. SEBI with an objective to streamline and strengthen the procedures and processes with regard to handling and maintenance of records, transfer of securities etc. issued Guidelines, wherein, it requires companies to take special efforts to collect copy of PAN and bank account details of the physical shareholders. Accordingly, physical shareholders those who have not submitted, are requested to provide/submit the self attested copy of PAN Card, Original Cheque leaf duly cancelled with name of 1st holder/sole holder (if name is not printed, self-attested copy of the pass book first page) and first and last page of recently updated pass book of 1st holder to the R&TA.

10. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Securities of listed companies can be transferred only in Dematerialized Form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in Physical Form are requested to consider converting their holdings to Dematerialized Form.

11. As stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, profile of Directors seeking re-appointment / appointment is separately annexed herewith.

12. In accordance with Section 20 of the Companies Act, 2013, service of documents on Members by a Company is allowed through electronic mode. Accordingly, soft copy of the Annual Report is being sent to all the Members whose E-mail IDs are registered with the Company/R&TA/Depository Participants unless any Member has requested for a physical copy of the same. For Members who

have not registered their e-mail address, physical copies of the Annual Report is being sent in the permitted mode.

13. To promote green initiative, Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the Shares in physical form may register their e-mail addresses through the R&TA, giving reference of their Folio Number.

14. Members also note that the Annual Report for Financial Year 2018 - 19 will also be available for their download on the Company's website www.gspcgroup.com/GSPL/.

15. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 [IEPF Rules], as amended, the Company in the month of November, 2018 has transferred, 51,438 Equity Shares corresponding to the unclaimed Dividend declared by the Company for the FY 2010 - 2011 to the demat account held by IEPF Authority after following the due procedure prescribed under the Companies Act, 2013 and the IEPF Rules. Further, in respect of unclaimed/unpaid Dividends for the FY 2011 - 12 which is due for transfer to IEPF on 24th October, 2019, the Company has sent notices to all the concerned Shareholders and has also published newspaper advertisements to claim their Dividends, failing which the Shares corresponding to the same shall be transferred to the IEPF Authority.

    The Company urges all the shareholders to encash / claim their respective Dividends. Members are requested to contact Karvy Fintech Private Limited for encashing the unclaimed Dividends standing to the credit of their account. The detailed Dividend history and due dates for transfer to IEPF are available on 'Investor Relations' page on the website of the Company www.gspcgroup.com/GSPL/ and on Ministry of Corporate Affairs' website.

16. Members may note that they can claim back the Shares as well as unclaimed Dividends transferred to the IEPF Authority. Concerned Members/Investors are advised to visit the weblink http://iepf.gov.in/IEPFA/refund.html. or contact Karvy for lodging claim for refund of Shares and/or Dividend from the IEPF Authority.

17. Voting through Electronic Means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility to the Members to exercise their right to vote by electronic means in respect of the Resolution(s) contained in this Notice. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a Member by using an electronic voting system from a place other than the venue of a General Meeting).

II. The Company shall also provide facility for voting through polling paper which shall be available 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 Meeting.

III. The cut-off date for the purpose of voting (including remote e-voting) is 17th September, 2019. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories at the close of business hours on 17th September, 2019 shall be entitled to avail the facility of voting through remote e-voting/polling paper. 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 for the purpose of voting.

IV. 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.

V. The Board of Directors have appointed M/s K K Patel & Associates, Practising Company Secretary, as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner.

VI. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	09.00 A.M. (IST) on 20th September, 2019
End of remote e-voting	05.00 P.M. (IST) on 23rd September, 2019

The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure and instructions for e-voting given hereinafter:

i. The Shareholders should log on to the e-voting website **www.evotingindia.com**

ii. Click on "Shareholders" tab to cast your votes.

iii. Now Enter your User ID:

   a. For CDSL: 16 digits beneficiary ID

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding Shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the image verification as displayed and click on Login.

v. If you are holding Shares in Demat Form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

vi. If you are a first time user, follow the steps given below:

	For Members holding Shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat Shareholders as well as Physical Shareholders) • Members who have not updated their PAN with the R&TA / Depository Participant are requested to use the first two letters of their name (In Capital) and the 8 digits of the sequence number in the PAN field. The sequence number is printed on address label/sticker affixed on the back page of the Annual Report. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name (In CAPITAL). Eg. If your name is Jay Kumar with sequence number 1 then enter JA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Please enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the R&TA records in order to Login. • If both the details are not recorded with the Depository or R&TA, please enter the User ID / Folio Number in the Dividend Bank details field as mentioned in instruction (iii)

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding Shares in Physical Form will then directly reach to the Company selection screen. However, Members holding Shares in Demat Form will now reach "PASSWORD CREATION" menu, wherein, they are required to mandatorily enter their Login Password in the new Password field. Kindly note that this Password can be used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.

ix. For Members holding Shares in Physical Form, the details can be used only for e-voting on the Resolutions contained in this Notice.

x. Click/Select "EVSN" of "Gujarat State Petronet Limited" to vote on the same.

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES /NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.

xiii. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

xvi. If Demat account holder has forgotten the Password then enter the User ID and the image verification code and click on "FORGOT PASSWORD" & enter the details as prompted by the system.

xvii. Shareholder can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone user can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non - Individual Shareholders and Custodians:

- Non-Individual Shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk. **evoting@cdslindia.com**.
- After receiving the Login details, the user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.

xix. A scanned copy of the certified Board Resolution/ Power of Attorney (POA)/ Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), as issued should be emailed to the Scrutinizer at **scrutinizergspl@gmail.com** and the same should also be uploaded in PDF format in the system for the verification by the Scrutinizer.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com.**

Poll at the Meeting:

VII. After the items of the Notice have been discussed, the Chairman will order poll in respect of the items. Poll will be conducted under the supervision of the Scrutinizer appointed for remote e-voting and Poll as stated above. A person, whose name is recorded in the Register of Members or in Register of Beneficial Owners maintained by the Depositories as at the close of the business hours on the cut-off date of 17th September, 2019 and who have not casted their vote by remote e-voting, and being present in the AGM, either personally or through proxy, only shall be entitled to vote at the AGM.

VIII. The Scrutinizer shall after the conclusion of voting at the General Meeting, first count the votes cast at the Meeting, and thereafter unblock the vote cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, on or before 26th September, 2019, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall countersign the same and the Chairman, or in his absence the Managing Director, shall declare the result forthwith.

IX. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.gspcgroup.com/GSPL/ and on the website of Central Depository Services (India) Limited immediately after the result is declared and shall be simultaneously communicated to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) where the Shares of the Company are Listed.

X. The Resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of requisite number of votes in favour of the Resolutions.

XI. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Corporate Office of the Company during normal business hours (10.30 A.M. to 6.30 P.M.) on all working days up to and including the date of Annual General Meeting of the Company.

Date: 27th August, 2019
Place: Gandhinagar

Registered Office
GSPC Bhavan, Sector -11,
Gandhinagar - 382 010.

For Gujarat State Petronet Limited

Reena Desai
Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013

Item No. 5

Pursuant to Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) regulations, 2018, the top 500 listed entities are required to have atleast one Independent Woman Director by 1st April, 2019.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board has appointed Smt. Shridevi Shukla [DIN: 02028225] as an Additional/Independent Director of the Company under Section 161 of the Companies Act, 2013 read with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company with effect from 27th March, 2019.

As per the provisions of Section 149 of the Companies Act, 2013 read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company and is not liable to retire by rotation.

The Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member in writing proposing the candidature of Smt. Shridevi Shukla for appointment as an Independent Director of the Company. Smt. Shridevi Shukla has given a declaration to the Board that she meets criteria of Independence as provided under Section 149 (6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

In the opinion of the Board, Smt. Shridevi Shukla fulfils the conditions specified in the Companies Act, 2013, Rules made there under and Listing Regulations for appointment as an Independent Director and she is independent of management. The Board recommends her appointment as an Independent Director for 5 (five) consecutive years effective from 27th March, 2019.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Listing Regulations, the appointment of Smt. Shridevi Shukla as an Independent Director is now being placed before the Members in General Meeting for their approval.

A brief profile of Smt. Shridevi Shukla, the nature of her expertise in specific functional areas, names of companies in which she hold Directorship, Committee Memberships/ Chairmanships, her shareholding etc., are separately annexed hereto.

Copy of the draft letter of appointment of Smt. Shridevi Shukla setting out the terms and conditions will be available for inspection without any fee by the Members at the Registered Office and Corporate Office of the Company during normal business hours on any working day upto the date of the 21st AGM.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs, except Smt. Shridevi Shukla, is concerned or interested in the Resolution at Item No. 5 of the Notice. Smt. Shridevi Shukla and her relatives, if any, are interested or concerned in the Resolution concerning her appointment proposed at Agenda Item No. 5.

The Board recommends Resolution for approval of the Members. The Members are requested to approve the Resolution.

Item No. 6

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, the Members of the Company at 16th Annual General Meeting held on 25th September, 2014 had approved the appointment of Prof. Yogesh Singh [DIN: 06600055] as an Independent Director on the Board of the Company for a term of 5 (five) consecutive years commencing from 25th September, 2014 upto 24th September, 2019 ("First Term").

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing a Special Resolution by the company for another term upto five consecutive years on the Board of a company.

The Nomination and Remuneration Committee of the Directors of the Company, on the basis of the performance evaluation, has recommended re-appointment of Prof. Yogesh Singh as an Independent Director on the Board of the Company for a second term of 5 (Five) consecutive years.

The Board, based on the recommendation of the Nomination and Remuneration Committee and in terms of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Prof. Yogesh Singh, being eligible for re-appointment as an Independent Director, proposes appointment of Prof. Yogesh Singh as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (Five) consecutive years commencing from 25th September, 2019 upto 24th September, 2024 for approval of the Members.

The Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member in writing proposing the candidature of Prof. Yogesh Singh for appointment as an Independent Director of the Company. Prof. Yogesh Singh has given a declaration to the Board that he meets criteria of Independence as provided under Section 149 (6) of the Act and Regulation 16(1) (b) of the Listing Regulations. He has also given his consent to continue to act as Director of the Company, if so appointed by the Members.

In the opinion of the Board, Prof. Yogesh Singh fulfils the conditions specified in the Companies Act, 2013, Rules made there under and Listing Regulations for appointment as an Independent Director and he is independent of management. The Board recommends his appointment as an Independent Director for another term of 5 (five) consecutive years commencing from 25th September, 2019 to 24th September, 2024.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Prof. Yogesh Singh as an Independent Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Listing Regulations, the re-appointment of Prof. Yogesh Singh as an Independent Director is now being placed before the Members in General Meeting for their approval.

A brief profile of Prof. Yogesh Singh, 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.

Copy of the draft letter of re-appointment of Prof. Yogesh Singh setting out the terms and conditions will be available for inspection without any fee by the Members at the Registered Office and Corporate Office of the Company during normal business hours on any working day upto the date of the 21st AGM.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs, except Prof. Yogesh Singh, is concerned or interested in the Resolution at Item No. 6 of the Notice. Prof. Yogesh Singh and his relatives are interested or concerned in the Resolution concerning his appointment proposed at Agenda Item No. 6.

The Board recommends the Resolution for approval of the Members. Members are requested to approve the Resolution.

Item No. 7

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, the Members of the Company at 16th Annual General Meeting held on 25th September, 2014 had approved the appointment of Dr. Bakul Dholakia [DIN: 00005754] as an Independent Director on the Board of the Company for a term of 5 (five) consecutive years commencing from 25th September, 2014 upto 24th September, 2019 ("First Term").

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing a Special Resolution by the company for another term upto five consecutive years on the Board of a company.

Further, pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to pass a Special Resolution to continue the directorship of any non - executive director who has attained the age of 75 years.

Dr. Bakul Dholakia attains the age of 75 years on 15th July, 2022 and hence continuation beyond 75 years requires the approval of members by way of a Special Resolution.

The Nomination and Remuneration Committee of the Directors of the Company, on the basis of the report of performance evaluation, has recommended re-appointment of Dr. Bakul Dholakia as an Independent Director for a second term of 5 (Five) consecutive years on the Board of the Company.

The Board, based on the recommendation of the Nomination and Remuneration Committee and in terms of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Dr. Bakul Dholakia, being eligible for re-appointment as an Independent Director, proposes appointment of Dr. Bakul Dholakia as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (Five) consecutive years commencing from 25th September, 2019 upto 24th September, 2024, for approval of the Members. Dr. Bakul Dholakia will also attain the age of 75 years on 15th July, 2022 during the above term of re-appointment. The Special Resolution No. 7 proposed for approval, once passed, shall also be considered as approval by the Shareholders under Listing Regulations, for continuation of Dr. Bakul Dholakia as an Independent Director beyond the age of 75 years.

The Company has received a Notice under Section 160 of the Companies Act, 2013 from a Member in writing proposing the candidature of Dr. Bakul Dholakia for appointment as an Independent Director of the Company. Dr. Bakul Dholakia has given a declaration to the Board that he meets criteria of Independence as provided under Section 149 (6) of the Act and Regulation 16(1) (b) of the Listing Regulations. He has also given his consent to continue to act as Director of the Company, if so appointed by the Members.

In the opinion of the Board, Dr. Bakul Dholakia fulfils the conditions specified in the Companies Act, 2013, Rules made there under and Listing Regulations for appointment as an Independent Director and he is independent of management. The Board recommends his appointment as an Independent Director for another term of 5 (Five) consecutive years commencing from 25th September, 2019 to 24th September, 2024.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Bakul Dholakia as an Independent Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Listing Regulations, the re-appointment of Dr. Bakul Dholakia as an Independent Director is now being placed before the Members in General Meeting for their approval.

A brief profile of Dr. Bakul Dholakia, 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.

Copy of the draft letter of re-appointment of Dr. Bakul Dholakia setting out the terms and conditions will be available for inspection without any fee by the Members at the Registered Office and Corporate Office of the Company during normal business hours on any working day upto the date of the 21st AGM.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs, except Dr. Bakul Dholakia, is concerned or interested in the Resolution at Item No. 7 of the Notice. Dr. Bakul Dholakia and his relatives are interested or concerned in the Resolution concerning his appointment proposed at Agenda Item No. 7.

The Board recommends the Resolution for approval of the Members. Members are requested to approve the Resolution.

Item No. 8

The Board of Directors at its Meeting held on 9th May, 2019, on the recommendation of the Audit Committee, has approved appointment of M/s N D Birla & Co., as Cost Auditors to conduct the audit of the cost records maintained by the Company for the Financial Year 2019 - 20 at the remuneration of ₹ 1,00,000/- [Rupees One Lac Only] plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of Audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2019 - 20.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

The Board recommends the Resolution for approval of the Members. Members are requested to approve the Resolution.

Item No. 9

The Members at their 20th Annual General Meeting approved payment of monthly remuneration to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman [DIN: 02190050] for the period of one year from 24th August, 2018 to 23rd August, 2019. The total approx annual remuneration approved was ₹16.83/- Lacs.

The Government of Gujarat has vide Resolution No. GPC-10-2010-110000-E dated 10th May, 2013 approved terms and conditions in respect of payment of remuneration to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman. He shall be entitled to monthly salary, allowances, perquisites etc. as follows:

1) Monthly salary derived on the basis of "Last Pay drawn minus Pension".
2) Dearness Allowance on the Last Pay drawn by him immediately before his retirement and shall not be entitled to get any Temporary Increase on monthly pension.
3) Car with driver for discharging official duties.
4) Travelling Allowance, Daily Allowance and other allowances received by him at the time of retirement and shall not be entitled for any Transport Allowance.
5) Medical facility/ reimbursement, accommodation, perquisites, facilities, allowances as stipulated in the GoG Resolution No. GPC-10-2010-110000-E dated 10th May, 2013.
6) He shall also be entitled to other facilities received by him at the time of retirement as ACS to Government of Gujarat, Finance Department.

Pursuant to the applicable provisions of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof for the time being force] and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has recommended remuneration for the period from 24th August, 2019 to 23rd February, 2020 or till further orders by Govt. of Gujarat, whichever is earlier to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman pursuant to Govt. of Gujarat Resolutions dated 10th May, 2013 and letter dated 26th August, 2019 for approval of the Members at the ensuing Annual General Meeting and the total approx remuneration will be ₹ 9.81 Lacs for the period of six months commencing from 24th August, 2019. It may be noted that presently the Company does not pay any remuneration (except Sitting Fees) to any other Non-Executive Director of the Company and accordingly approval of Shareholders is being sought by way of Special Resolution.

It is, therefore, proposed to approve payment of monthly remuneration to Shri M. M. Srivastava, IAS (Retd.), Non-Executive Chairman of the Company effective from 24th August, 2019 more particularly prescribed in GoG Resolution dated 10th May, 2013 and letter dated 26th August, 2019. The said GoG Resolution and letter will be available for inspection without any fee by the Members at the Registered Office and Corporate Office of the Company during normal business hours on any working day upto the date of the 21st AGM.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs, except Shri M M Srivastava, IAS (Retd.), is concerned or interested financially or otherwise, in the Resolution set out at Item No. 9 of the Notice. Shri M M Srivastava, IAS (Retd.) and his relatives, if any, are interested or concerned to the extent of their shareholding in the Resolution concerning his remuneration proposed at Agenda Item No. 9.

The Board recommends the Resolution for approval of the Members. Members are requested to approve the Resolution.

Date: 27th August, 2019
Place: Gandhinagar

For Gujarat State Petronet Limited

Reena Desai
Company Secretary

Registered Office
GSPC Bhavan, Sector -11,
Gandhinagar - 382 010.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT OR WHOSE REMUNERATION IS BEING PROPOSED FOR APPROVAL AS SET OUT IN NOTICE

Name of the Director	**Shri M M Srivastava, IAS (Retd.)**	**Smt. Shridevi Shukla**	**Prof. Yogesh Singh**	**Dr. Bakul Dholakia**
Date of Birth	23rd July, 1952	28th August, 1952	13th April, 1966	15th July, 1947
Date of first Appointment	24th August, 2012	27th March, 2019	20th May, 2013	25th September, 2014
Terms and Conditions of Appointment	Shri M M Srivastava, IAS (Retd.) has been nominated by Gujarat State Petroleum Corporation Limited (GSPC). He shall hold office till further intimation in this regard by GSPC.	Appointment as an Independent Director for a period commencing from 27th March, 2019 to 26th March, 2024 (Refer Item No. 5 of the Notice and Explanatory Statement)	Re-appointment as an Independent Director for a period commencing from 25th September, 2019 to 24th September, 2024 (Refer Item No. 6 of the Notice and Explanatory Statement)	Re-appointment as an Independent Director for a period commencing from 25th September, 2019 to 24th September, 2024 (Refer Item No. 7 of the Notice and Explanatory Statement)
Details of Remuneration	Shri M M Srivastava, IAS (Retd.) shall be paid remuneration as stipulated in the Resolution dated 10th May, 2013 of Govt. of Gujarat and letter dated 26th August, 2019.	Smt. Shridevi Shukla shall not draw remuneration from the Company except Sitting Fees and Out of Pocket Expenses.	Prof. Yogesh Singh shall not draw remuneration from the Company except Sitting Fees and Out of Pocket Expenses.	Dr. Bakul Dholakia shall not draw remuneration from the Company except Sitting Fees and Out of Pocket Expenses.
Qualifications & Expertise	Refer Page No.2 of Annual Report.	Refer Page No. 2 of Annual Report.	Refer Page No. 3 of Annual Report.	Refer Page No. 3 of Annual Report.
Directorship held in other Companies* (excluding foreign Companies)	Gujarat State Petroleum Corporation Limited	NIL	1. Gujarat State Petroleum Corporation Limited 2. GSPC (JPDA) Limited 3. DTU Innovation and Incubation Foundation	1. Ashima Dyecot Private Limited 2. Ashima Limited 3. Arvind Limited 4. Catallyst Constellations Private Limited
Chairman/ Member of the Committees of other Companies* (excluding foreign Companies)	Gujarat State Petroleum Corporation Limited 1. Chairman-HR Committee 2. Member- Committee for KG Block 3. Member- Committee for Blocks other than KG	NIL	Gujarat State Petroleum Corporation Limited 1. Member: Audit Committee 2. Member- Project Committee 3. Member- HR Committee GSPC(JPDA) Limited 1. Member- Audit Committee 2. Member- Nomination & Remuneration Committee	Arvind Limited 1. Chairman- Stakeholders Relationship Committee 2. Chairman - N&R Committee 3. Chairman – CSR Committee 4. Member- Audit Committee 5. Member - Risk Management Committee Ashima Limited 1. Chairman-Audit Committee 2. Chairman – N & R Committee 3. Member – CSR Committee Ashima Dyecot Private Limited 1. Member - CSR Committee
No. of Meetings of the Board attended during the Financial Year (2018 – 19)	5	5	1	2
Shareholding of Directors	Nil	Nil	Nil	3500
Relationship between Directors inter-se	Nil	Nil	Nil	Nil

*The details of directorship in other companies (excluding foreign companies) and chairmanship/ Membership in Committees of other Companies is as on 31st March, 2019.

DIRECTORS' REPORT

To,
The Members
Gujarat State Petronet Limited

The Directors take pleasure in presenting the 21st Annual Report and Audited Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

Your Company has excelled in most of the performance parameters.

Major Highlights of the Company are summarized below:

(₹ in Crore)

Particulars (Standalone Accounts)	2018-19	2017-18
Total Income	**1936.62**	**1405.21**
Employee Benefit Expenses	64.55	43.20
Other Expenses	270.11	140.75
Total Expenses	**334.66**	**183.95**
PBDITA	**1601.96**	**1221.26**
Finance Cost	219.20	35.41
Depreciation & Amortisation	179.98	175.04
Profit Before Tax	**1202.78**	**1010.81**
Tax including Deferred Tax	408.11	342.38
Profit After Tax	**794.67**	**668.43**
EPS (₹)	**14.09**	**11.86**
Appropriations		
Transfer to General Reserves	NIL	NIL

PERFORMANCE HIGHLIGHTS

- The Company has successfully commissioned Anjar Mundra Pipeline.
- The Company has successfully commissioned and made operational its 5.5 MW (1 Standby +1 Working) Gas Compressor Station at Gana.
- 100% Pipeline grid availability and "accident free" year of operations.
- Total Income stood at ₹ 1936.62 Crore, as compared to ₹1405.21 Crore and PBT was ₹ 1202.78 Crore as compared to ₹ 1010.81 Crore over Previous Year.
- The Profit After Tax for FY 2018-19 is ₹ 794.67 Crores vis-à-vis ₹ 668.43 Crores for FY 2017-18 registering a growth of 19%.
- In FY 2018-19, PNGRB determined final tariffs of your Company's Pipeline Network, which saw a ≈28% increase.

CAPITAL

During the year, the Board has approved allotment of 1,37,761 Shares to the eligible employees under ESOP – 2010 Scheme of the Company upon exercise of Options by them, consequent to which the paid up Share Capital of the Company has increased to ₹ 563.97 Crore.

DIVIDEND

As per the provisions of the Regulation 43 (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company adopted a Dividend Policy which is broadly based on the same policy as has been followed by the Company since long. Keeping in view the various factors including the fund requirements for expansion of projects and subsidiaries as mentioned in the Policy, the Board of Directors of the Company is pleased to recommend Dividend of ₹ 2.00 (i.e. @ 20 %) per Equity Share of the face value of ₹ 10 each for the Financial Year 2018-19 subject to the approval of Shareholders in the ensuing Annual General Meeting. The total cash outflow on account of the proposed Dividend (including Dividend Distribution Tax after considering the credit of Dividend receivable from Subsidiary companies) for the Financial Year 2018 - 19 would be approx ₹ 128.31 Crore.

GAS GRID PROJECT

Government of Gujarat has always played a pro-active role in the development of the energy value chain in the State. Gujarat is the first State to plan and execute a State-wide Gas Grid on an Open Access principle.

The pipeline grid has been designed as per the highest international standards with inbuilt flexibility to cater to varying loads.

The pipeline grid map of GSPL for Gujarat is enclosed herewith as Annexure - X.

The map showing the Cross-Country Natural Gas Transmission Pipelines being implemented through special purpose vehicles is enclosed herewith as Annexure – XI.

Projects Commissioned:

During the year under review, the Company has successfully commissioned Anjar Mundra Pipeline and 18" Amboli Vantevad Pipeline and provided natural gas connectivity to various customer(s) (connectivity projects) in Sanand GIDC, Dahej, Ahmedabad, Mundra etc. Your Company has also successfully commissioned the 5.5 MW (1 Standby +1 Working) Gas Compressor Station at Gana and the same is now operational.

The grid operations account for approx 2621 Kms and approx. 69 Kms pipeline completed & ready for Gas-In as on 31st March, 2019. Gas is flowing from Hazira / Dahej / Vapi to various industries and City Gas Distribution ("CGD") Networks located in various Districts of Gujarat including Surat, Bharuch, Narmada, Baroda, Anand, Ahmedabad, Dahod, Gandhinagar, Sabarkantha, Panchamahal, Patan, Bhavnagar, Mehsana, Banaskantha, Surendranagar, Botad, Rajkot, Morbi, Jamnagar, Navsari, Kutch, Kheda, Valsad, Amreli, Gir & Somnath.

Projects under execution:

Your Directors are pleased to inform that the Company continues to develop additional Pipeline infrastructure in the State of Gujarat. The Company has also started laying additional customer connectivities in the areas of Anjar, Dahej SEZ and Pipavav etc. The Company is a co-developer in Dahej SEZ and is developing pipeline infrastructure therein. Several customers have started receiving gas in Dahej SEZ through Company's network with more getting connected on regular basis.

CITY GAS DISTRIBUTION PROJECT

Your Directors are pleased to inform you that the Company being authorized to develop the City Gas Distribution (CGD) Network in the Geographical Area (GA) of Amritsar District (Punjab) and Bhatinda (GA) Punjab has commissioned 3 CNG Stations and started gas supplies in GA of Amritsar. Further, ground works for development of CGD Network in Bhatinda is progressing steadily.

WIND POWER PROJECT

Your Company being committed to promote clean and green energy has set up Wind Power Project of 52.5 MW in the areas of Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar. During the year, the Company has sold 11,85,38,758 KWH of electricity generated through Windmill.

FUTURE PLANS

The Company is working on future expansion projects based on the demand in various regions around the gas grid. The Company is also gearing up its pipeline by developing connectivity with new terminals that are being developed in Gujarat to ensure connectivity with all sources in Gujarat.

OPERATION & MAINTENANCE ACTIVITIES

The Company has transported 12618 MMSCM of gas during the Financial Year 2018 - 19 (Previous year: 11511 MMSCM).

To safeguard pipeline assets and optimize utilization of the pipeline system, the Company is giving utmost importance to efficient operations and preventive maintenance. The Company is in the process of implementing Pipeline Integrity Management System in line with PNGRB guidelines to safeguard the pipeline assets.

SUBSIDIARY, ASSOCIATE & JOINT VENTURE COMPANIES

Subsidiary Companies:

Your Company has following three Subsidiary companies within the meaning of the Section 2(87) of the Companies Act, 2013:

1) GSPL India Gasnet Limited (GIGL) for development of Mehsana – Bhatinda (approx 1834 Kms) and Bhatinda - Jammu - Srinagar (approx 740 Kms) Pipeline Projects.

2) GSPL India Transco Limited (GITL) for development of Mallavaram - Bhopal – Bhilwara – Vijaipur (approx. 1881 Kms) Pipeline Project.

3) Gujarat Gas Limited (GGL) is India's largest city gas distribution player with presence spread across 41 Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Dadra Nagar Haveli.

Associate Company:

As on 31st March, 2019, your Company has one Associate Company viz. Sabarmati Gas Limited.

To avoid duplication between the Directors' Report and Management Discussion and Analysis Report, the performance highlights/summary of the Subsidiary companies/Joint Venture companies /Associate companies of GSPL is given in Management Discussion and Analysis Report.

Accounts of Subsidiary, Associate & Joint Venture companies:

Pursuant to notification dated 16th February, 2015 of Ministry of Corporate Affairs notifying the Companies (Indian Accounting Standard) Rules, 2015, the Company, its Associate, Subsidiary and Joint Venture Companies have adopted Ind AS w.e.f. 1st April, 2016.

Consequently, though as per provision of Section 2 (87) (ii) of the Companies Act 2013, GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL) fall within the meaning of Subsidiary Company, as per guidance of Indian Accounting Standards [Ind AS], GIGL and GITL fall within the criteria of Joint Venture and accordingly they have been considered as Joint Venture for the purpose of disclosures and compliances in relation to the Financial Statements of the Company for the Financial Year 2018-19.

Pursuant to provisions of Section 129 (3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a separate statement in prescribed Form AOC - 1 containing salient features of the financial statement of Subsidiary, Associate & Joint Venture Companies is provided in the Annual Report.

Further, the audited annual accounts and related information of GIGL, GITL and GGL will be made available to any Member upon request. The annual accounts of GIGL, GITL and GGL will also be kept open for inspection at the Registered Office of the Company and that of the respective companies. The same are also available on the website of the Company viz. **www.gspcgroup.com.**

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind AS - 28 on Investment in Associates and Joint Ventures read with Ind AS – 110 on Consolidated Financial Statements and Ind AS – 111 on Joint Arrangement, the Audited Consolidated Financial Statements are provided in the Annual Report.

HEALTH, SAFETY AND ENVIRONMENT

The Company, in order to fulfill its commitment towards Health, Safety and Environment, has taken active steps towards establishment of Safety Management Systems. Environment and safety features have been integrated into design, construction and O&M operations of the Company for ensuring utmost safety for the facilities, local community and the environment. The same is also being reflected in the QHSE policy of the Company. The Company is expanding and managing its operations in a manner which is safe and environmentally sustainable.

For developing effectiveness of Safety Management Systems, training of all employees across the Company is ensured through various training programs. The same is being monitored through internal audit teams and delegation of safety management up to the local level. Contractors' adherence to Company's QHSE policy is also assured through regular site visits and external audits. Regular site visits ensure the enhancement of safety culture which also facilitates safe commissioning of the new projects. The Company is proud to maintain its target of 'zero accident' year with full commitment of its employees and management.

The Company is re-certified to Integrated Management Systems (ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007) with validity till 30th October, 2020. Effectiveness of these certifications is being assured through planned audits of the system. Continuous improvement is visible in various O&M systems. Preventive Maintenance schedules are being adhered to with updating of records. Further, Emergency Response and Disaster Management Plan (ERDMP) of GSPL was re-accredited by Disaster Management Institute, Bhopal as per the requirement of ERDMP Regulations, 2010 under PNGRB Act, 2006. ERDMP is being reviewed and updated regularly. All conditions of Accreditation are being adhered to. Effectiveness of ERDMP is verified through regular mock drills as per specified intervals as identified by respective work bases.

DEPOSITS

During the year, the Company has not accepted Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 (11) of the Companies Act, 2013, loans made, guarantees given or securities provided or investment made by a company providing infrastructure facilities are exempted from compliance with Section 186 of the Companies Act, 2013 except sub Section (1). Accordingly, your Company being engaged in the Gas Transportation business is exempted from aforesaid compliance. However, the details of Loans, Guarantees, Securities and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business.

Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseeable and repetitive nature and further would be executed on arm's length basis and in the ordinary course of business. Further, a statement giving details of all Transactions executed with Related Parties is placed before the Audit Committee on a quarterly basis for its approval/ ratification as the case may be.

The Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's Website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The particulars of contracts or arrangements with Related Parties referred to in Section 188 (1) of the Companies Act, 2013, as prescribed in Form AOC – 2 of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - III to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at http://gspcgroup.com/GSPL/csr.

Your Company being committed in fulfilling its Corporate Social Responsibility has been engaged in various social initiatives through its intervention in the areas of education, promoting healthcare/ eradication of hunger, poverty & malnutrition, for conservation of natural resources like water/energy, etc. in accordance with the Corporate Social Responsibility Policy of the Company.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed herewith as Annexure - IV to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Since last Directors' Report, Shri Raj Gopal, IAS & Smt. Shridevi Shukla ceased to be Directors of the Company and Dr. T Natarajan, IAS ceased to be the Joint Managing Director of the Company consequent to their resignation from the Board of the Company.

Your Directors wish to place on record appreciation for the services rendered by Shri Raj Gopal, IAS & Smt. Shridevi Shukla as Directors and Dr. T Natarajan, IAS as Joint Managing Director of the Company.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement, Prof. Yogesh Singh and Dr. Bakul Dholakia were appointed as Independent Directors to hold office for a term of five consecutive years i.e. up to 24th September, 2019 by the Members of the Company in the 16th Annual General Meeting held on 25th September, 2014. They are eligible for re-appointment as Independent Directors for another term of five consecutive years.

Pursuant to the provisions of the Companies Act, 2013, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through Special Resolution at the ensuing Annual General Meeting re-appointment of Prof. Yogesh Singh and Dr. Bakul Dholakia as Independent Directors for another term of five consecutive years from 25th September, 2019 upto 24th September, 2024.

Further, based on the recommendation of Nomination and Remuneration Committee, the Board has appointed Smt. Shridevi Shukla as an Additional Woman Independent Director w.e.f. 27th March, 2019 to hold office till the ensuing Annual General Meeting. It is proposed to regularize her appointment in the 21st Annual General Meeting.

These Directors have given the declarations to the Board that they meet the criteria of Independence as provided under Section 149 (6) of the said Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also confirmed that they will abide by the provisions as mentioned in Schedule IV of the Companies Act, 2013.

Further, Shri Ajith Kumar T R. has been designated as Chief Financial Officer of the Company w.e.f. 8th February, 2019.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri M M Srivastava IAS (Retd.), Director & Chairman of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director liable to retire by rotation.

A brief resume of the Directors retiring by rotation/seeking appointment/re-appointment at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and details regarding the companies in which they hold directorship, membership/chairmanship of committees of the Board is annexed to the Notice.

Directors' Independence:

Pursuant to the provisions of Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company have given confirmation/ declaration to the Board that they meet with the criteria of Independence and are Independent in terms of Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfills the conditions of independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have carried out an annual performance evaluation of Chairman, Non-Independent Directors and the Board as a whole. Further, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the various Committees of Directors of the Company.

The performance evaluation of individual Directors was carried out based on the various parameters after taking into consideration inputs received from the Directors and also parameters set out in the Policy for Evaluation of Performance of Directors, Committees & Board such as active participation & contributions in the Meetings, balance of knowledge, expertise and experience, safeguarding the interest of the Company and its Stakeholders etc. The performance evaluation of the Board as a whole and various Committees of Directors of the Company was carried out considering various parameters such as adequacy of the composition of the Board and its Committees, discharge of key functions and responsibilities prescribed under law, corporate governance practice etc. and the overall performance assessment was discussed in detail by the Board members.

Meetings:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the approval is taken by passing resolutions through circulation to the Directors, as permitted by law, which are noted in the subsequent Board/Committee Meetings.

During the year, five (5) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

Audit Committee of Directors of the Company at its Meeting held on 9th May, 2019 approved the Annual Accounts for the Financial Year ended on 31st March, 2019 and recommended the same for approval of the Board.

AUDITORS

Statutory & C&AG Audit:

As your Company is a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, the C&AG has appointed M/s Anoop Agarwal & Co., Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2018 - 19.

The Company has received comments of Comptroller & Auditor General of India (C&AG) on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2018 - 19. The Reports of C&AG and the Management response to comments of C&AG have been placed before the Standalone & Consolidated Financial Statements respectively.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s Manoj Hurkat & Associates, Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2018 - 19.

The Report of Secretarial Auditor on Company's Secretarial Audit for the Financial Year 2018 - 19 is enclosed herewith as Annexure - V to this Report.

Cost Auditors:

Your Company is required to get the Cost Audit carried out for "Gas Transportation" business as well as "Generation of Electricity through Windmill" business pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The Company is maintaining the Cost Accounts and Records as specified by the Central Government under sub Section (1) of Section 148 of the Companies, Act, 2013.

Accordingly, your Company has got the Cost Audit carried out for the said business of the Company for the Financial Year 2018 - 19 through the Cost Auditor M/s N D Birla & Co. The Cost Audit Report 2018 - 19 will be submitted to the Central Government in the prescribed format within stipulated time period.

Further, your Directors has, on the recommendation of the Audit Committee, appointed M/s N D Birla & Co., Cost Accountants as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2019 - 20 on a remuneration of ₹ 1,00,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them during the course of Audit. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s N D Birla & Co., Cost Auditors for the Financial Year 2019 - 20 is included in the Notice convening the Annual General Meeting.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Risk Management:

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy.

Internal Control System:

The Company has a proper and adequate system of Internal Controls commensurate with its size of operations and nature of business. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The details about the identification of elements of Risk and Internal Control Systems are provided in detail in the Management Discussion & Analysis Report forming part of this Directors' Report.

VIGIL MECHANISM

The Company has established a Vigil Mechanism for Directors and Employees to report their genuine concerns, details of which have been given in the Corporate Governance Report forming part of this Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

a. that in the preparation of the Annual Financial Statements for the year ended 31st March, 2019, the applicable accounting standards have been followed and no material departures have been made from the same;

b. that accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit & loss of the Company for the year ended on that date;

c. that proper and sufficient care has been taken 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;

d. that the Annual Financial Statements have been prepared on a going concern basis;

e. that proper Internal Financial Controls were in place and that the financial controls were adequate and were operating effectively;

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS

This Annual Report contains a separate section (Annexure–I) on the Management Discussion & Analysis, which forms part of this Directors' Report.

CORPORATE GOVERNANCE

Corporate Governance denotes the framework for companies to conduct their business in an ethical and responsible manner. It is determined primarily by the approach that a Company has towards its stakeholders as well as to the environment in which it operates. It stems from the belief and realization that corporate citizenship has a set of responsibilities, which must be fulfilled for a Company to progress and succeed over the long term.

The Company believes that good governance alone can deliver continuous good business performance. A Report on Corporate Governance as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is incorporated as a part of this Directors' Report (Annexure – II). A Compliance Certificate by the Practising Company Secretary is also attached to this Directors' Report.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

ANNUAL RETURN

The extract of Annual Return in Form MGT – 9 is enclosed herewith as Annexure – VII.

The draft Annual Return of the Company for the Financial Year 2018 – 19 in the Form of MGT – 7 is available on the website of the Company at www.gspcgroup.com/GSPL/annual-returns.

GSPL EMPLOYEES STOCK OPTION PLAN ("ESOP")

GSPL Employees Stock Option Plan – 2010 (ESOP – 2010) was instituted as incentives to attract, retain and reward the employees, and to enable them to participate in the future growth and success of the Company.

Under the said ESOP - 2010, each such Option has conferred a right upon the employee to apply for one Equity Share of the Company.

Auditors of the Company have certified that the Scheme is being implemented in accordance with the SEBI (Share Based Employee

Benefits) Regulations, 2014 and the resolution passed by the Members. The Certificate would be placed at the Annual General Meeting for inspection by Members.

Statutory disclosure regarding ESOP – 2010 is enclosed at Annexure – VI .

Further, the Disclosure regarding ESOP – 2010 pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 has been made on the website of the Company at http:// gspcgroup.com / GSPL/disclosures.aspx.

PARTICULARS OF EMPLOYEES

Your Company being a Government Company is exempted from disclosing the information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company pursuant to Ministry of Corporate Affairs Notification dated 5th June, 2015.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminatory and harassment free (including sexual harassment) work environment for every individual working in the Company. The Company has in place a Policy on Prevention of Sexual Harassment at workplace as a part of its Human Resource Policy. It aims at prevention of harassment of employees and lays down the guidelines for reporting and prevention of sexual harassment.

The Company has constituted an Internal Complaints Committee (ICC) as required under the Act which is responsible for redressal of complaints related to sexual harassment.

The details of complaints filed/disposed/pending in relation to the Sexual Harassment of Woman at Workplace as on 31st March, 2019 is provided below:

Sr.	Particulars	No. of Complaints
1	No. of Complaints filed during the year	0
2	No. of Complaints disposed during the year	0
3	No. of Complaints pending at the end of the year	0

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required to be disclosed pursuant to provisions of the Companies Act, 2013 read with Rules thereto with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are furnished in Annexure - IX to this Report.

BUSINESS RESPONSIBILITY REPORT

Your Company has always given the highest importance to the environment, health and safety. The same is also reflected in the business practices of the Company e.g. Company has implemented practices towards preservation of natural resources, Green Gas emission reduction, lowering costs, etc over these years. The Company is also conscious of its responsibility towards its various stakeholders and is determined to increase its contribution to the society to bring positive social impact.

The Business Responsibility Report in the prescribed format describing the initiatives taken by the Company from an environmental, social and governance perspective among other things is enclosed as Annexure-VIII to this Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

ACKNOWLEDGEMENTS

The Directors appreciate the continued support received from the valued customers and look forward to this mutually supportive relationship in future.

The Directors place on record their deep appreciation to employees of the Company at all levels for their hard work, dedication and commitment without whose contribution the excellent performance of the Company would not have been possible.

The Directors are extremely grateful for all the support given by the Government of Gujarat at all levels. Their guidance, encouragement and moral support have enabled the Company to expand the pipeline network in a professional manner.

The Directors also wish to place on record the sincere thanks to PNGRB and other regulatory authorities at Central and State level for the continuous support extended to the Company.

The Directors place on record their sincere thanks to the Promoters, Shareholders and Lenders for their valuable support, trust and confidence reposed in the Company.

For and on behalf of the Board of Directors

M M Srivastava, IAS (Retd.)
Chairman

Date: 27th August, 2019
Place: Gandhinagar

ANNEXURE - I

Management's Discussion and Analysis forming part of the Directors' Report for the year ended on 31st March, 2019

A. INDUSTRY OVERVIEW

India's GDP is estimated to have grown at 7.3%[1] in FY 2018-19 driven by strong industrial as well as agriculture growth and strengthening investment. In fact, as per BP Energy Outlook 2019, by mid- 2020s, India may surpass China as the world's largest growth market, accounting for over a quarter of the growth in global energy demand over the Outlook period.

It is expected that India's overall energy consumption will rise to 1,928 Million Tonne of oil equivalent (MToe) in 2040 from 754 MToe in 2017 with an average per annum growth rate of 4.2%[2]. The share of natural gas is expected to grow at an annual growth of 4.5%[3] from current level of 6% in 2018.

In India today, the role of Natural gas cannot be undermined to meet the increasing energy requirement. With domestic gas production insufficient to meet the burgeoning energy requirement of the Country, LNG would continue to play a pivotal role in matching the supplies.

Domestic gas production marginally increased (on y-o-y basis) accounting for almost 50% of the total gas consumed in the Country. Natural gas consumption stood at 149 MMSCMD during FY 2018 - 19.

Retaining its position as the 4th largest LNG Buyer in the World, LNG imports in India were pegged at 74.0 MMSCMD[4] during 2018-19, an increase of around 3% on annual basis.

LNG imported during FY 2018 -19 was the highest since its inception accounting for around half of the total gas consumed in India, as LNG prices touched a new low in the later part of FY 2018 -19.

Government of India emphasis on Natural Gas Infrastructure

With a goal of increasing the share of natural gas to 15% by 2030 by promoting a Gas Based Economy, the Government of India (GoI) has put strong emphasis on (i) development of additional pipeline network as a part of integrated National Gas Grid (ii) expansion of City Gas Distribution (CGD) network coverage (iii) development of new /expansion of LNG terminals across the Country.

a) National Gas Grid

Currently, around 16,770 Kms natural gas pipeline is operational in the Country and over 14,200 Kms of additional gas pipelines are being developed to increase the availability of natural gas across the Country.

You would be pleased to know that GSPL India Gasnet Limited (GIGL), a subsidiary of your Company, has successfully commissioned 440 Kms of pipeline sections namely (i) Palanpur-Pali (ii) Barmer-Pali and (iii) Jalandhar-Amritsar of the Mehsana-Bhatinda-Jammu Pipeline Project awarded by the PNGRB.

These sections, duly inaugurated by the Hon'ble Prime Minister of India in September 2018, shall enable gas supply in various regions including Banaskantha, Sirohi, Pali, Jalore, Barmer, Jalandhar, Kapurthala, Gurdaspur and Amritsar districts.

Further, GIGL has also awarded EPC contract for construction of several segments sections totaling to 930 kms in March 2019 which is expected to be completed by end of 2020.

b) Expansion of City Gas Distribution network

City Gas Distribution (CGD) networks ensures the supply of cleaner fuel to households (PNG), Industrial & commercial units as well as transportation fuel (CNG) for vehicles. It is pertinent to note that CGD segment consumption accounted for over 17%[5] of the total gas consumed in India and over the next decade, CGD sector would act as a prime driver for natural gas consumption in India.

While Govt. of India had already accorded priority to CGD segment by providing 100% allocation of domestic gas to CNG and PNG segments, in FY 2018-19 PNGRB launched the 9th and 10th rounds of CGD bidding process to boost the CGD sector.

In the 9th round, the PNGRB granted authorization for developing 84 GAs covering 174 districts across 22 States and UTs. Further, in the 10th round, the PNGRB granted authorization for developing 50 GAs covering 124 districts across 14 States and UTs.

Moreover, after the 10th round of CGD bidding 70% of the total population of the Country is expected to be covered by CGD network.

c) LNG Regassification

Though efforts are being made to increase domestic gas production, the same are yet to materialize substantially and accordingly LNG imports have increased by 158% over the last decade.

Current operational regasification capacity in India is around 26.7 MTPA which is expected to double in the next 5 years, facilitating additional LNG imports in India.

Gujarat assumes special importance in LNG import infrastructure by virtue of being home to almost over 90% of total LNG imports which are through LNG regasification terminals in Gujarat. Further, there being opportunity for development of more Greenfield LNG import infrastructure along the coast of Gujarat, gas from the Gujarat terminals would flow to northern hinterland through extensive gas network developed in the State, including by your Company, making it the *"LNG hub of India."*

B. REGULATORY FRAMEWORK

PNGRB has determined final tariffs of your Company's pipelines. The Regulator announced a 28% upward revision in tariff for the High Pressure Gas Grid of your Company.

C. OPPORTUNITIES AND CHALLENGES

Keeping up with the growth trend of past 3 years, your Company saw a growth in transmission volumes this year, as well. Your Company registered a 10% (y-o-y) growth in transmission volumes, in tandem with growing demand for gas, as a competitive fuel, in the State.

Your Company also witnessed volume growth owing to seamless connectivity achieved with Vedanta's RJ Block in Rajasthan through its subsidiary, GSPL India Gasnet Ltd.

Having already established connectivity to GSPC LNG's Mundra LNG terminal your Company will continue to develop pipeline connectivity with new terminals / new gas sources to ensure

[1]World Bank Report March 2019
[2]BP Energy Outlook 2040
[3]BP Energy Outlook 2040
[4]Petroleum Planning & Analysis Cell (PPAC)
[5]Industry Report

connectivity with all sources in Gujarat for providing choice of source to its consumers.

Your Company is in the process of connecting the upcoming terminal at Jafrabad and has also made a request to PNGRB for connecting to Chhara Terminal. Your Company shall be the only Company to have pipeline infrastructure to evacuate gas from these new terminals. Further, as these new terminals are developed, your Company would expand the capacity of its Gujarat Gas Grid. Your Company expects significant capacity expansion for its Gas Grid due to new LNG terminals and also to support cross country pipelines of its subsidiaries for expansion outside Gujarat.

Moreover, commissioning of the Gana compressor, also provides requisite operational flexibility / capacity to your Company's grid for meeting growing demand of gas in the State.

Gas supplies have started in Geographical Area of Amritsar. Ground works for development of CGD network in Bhatinda is progressing steadily.

D. OPERATIONS AND FUTURE OUTLOOK

Your Company owns and operates the largest gas transmission network in Gujarat totalling to approximately 2621 Kms (as on 31st March 2019). The gas grid of the Company has reached 25 of 33 Districts in Gujarat.

Performance highlights of Subsidiary, Associate & Joint Venture Companies:

GSPL India Gasnet Limited (GIGL) & GSPL India Transco Limited (GITL):

GIGL commissioned 440 Kms of pipeline section of its Mehsana Bhatinda Pipeline Project (MBPL) network and Gas is being transported from Vedanta's gas field in Rajasthan through GIGL's network. Also, gas is being transported to Amritsar CGD network through Jalandhar-Amritsar section of MBPL.

GIGL has received all major statutory clearances for implementation of balance sections and has accordingly also awarded EPC contracts for seven sections comprising of approx 930 Kms which is expected to be completed by 2020.

GIGL has been making concerted efforts to promote natural gas in regions enroute its network, through various business development activities. GIGL has been regularly meeting small & medium industries / industrial associations in Rajasthan and an interactive session was also organized to create awareness amongst industries / small enterprises about the multi-fold benefits of the natural gas pipeline project to the State.

In GITL, work for 363 Kms pipeline and associated facilities from Kunchanapalle Dispatch Terminal, Andhra Pradesh to Ramagundam Fertilizers & Chemicals Limited's Plant at Ramagundam, Telangana is in the advance stage of commissioning.

Gujarat Gas Limited:

Gujarat Gas Limited is the largest City Gas Distribution Company with its presence spread across various Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Dadra and Nagar Haveli distributing natural gas to various industrial, commercial and domestic residential segment customers. Further, GGL is also engaged in the business of distribution of CNG to transport segment customers through CNG filling stations.

Gujarat Gas Limited has been continuously growing and expanding its horizon by venturing into new geographic areas and is committed to reach every possible natural gas users across its licensed expanse of around 1,69,500 square kilometres through its ever growing pipeline network spread across 41 Districts.

Gujarat Gas Limited has aggressively rolled out the expansion plans to develop networks to tap the unexplored CGD potential in new geographies within its operational areas. GGL has total 25 CGD licenses spread across 41 Districts which accounts to almost 11% of total CGD licenses issued by PNGRB in India and 1 pipeline license.

Gujarat Gas Limited is supplying natural gas to more than 13.5 Lakh residential, over 12,300 commercial and non-commercial segments and around 3,500 industrial customers as on 31st March, 2019.

Gujarat Gas Limited also supplies natural gas in the form of Compressed Natural Gas (CNG) through 344 CNG stations catering to the automotive sector in the operational areas.

Your Company has a total shareholding of 54.17% in Gujarat Gas Limited as on 31st March, 2019.

During the year ending 31st March 2019, Gujarat Gas Limited contributed to approx 16% of total transmission revenues of your Company.

Sabarmati Gas Limited:

Sabarmati Gas Limited (SGL) is engaged in the business of development of City Gas Distribution networks in Gandhinagar, Sabarkantha and Mehsana Districts of North Gujarat. SGL has also been granted authorization by PNGRB for undertaking CGD Business activity in GA of Patan District and accordingly the Company has initiated activities to develop CGD Network in Patan District. The sales volumes of the Sabarmati Gas Limited from all the segments have increased to 9.25 Lakh SCMD during the Financial Year 2018-19 as compared to 8.25 Lakh SCMD during the previous Financial Year. SGL has network of 437 Kms of steel pipeline and 4584 Kms of MDPE pipeline and customer base of 154938 domestic customers, 326 industrial customers and 725 commercial customers as well as 88 CNG stations as on 31st March, 2019.

Your Company has a total shareholding of 27.47% in Sabarmati Gas Limited as on 31st March, 2019.

During the year ending 31st March 2019, Sabarmati Gas Limited contributed to approx 3% of total transmission revenues of your Company.

E. PERFORMANCE PROFILE

The Company continues to expand its gas grid to reach new markets and connect to new supply sources.

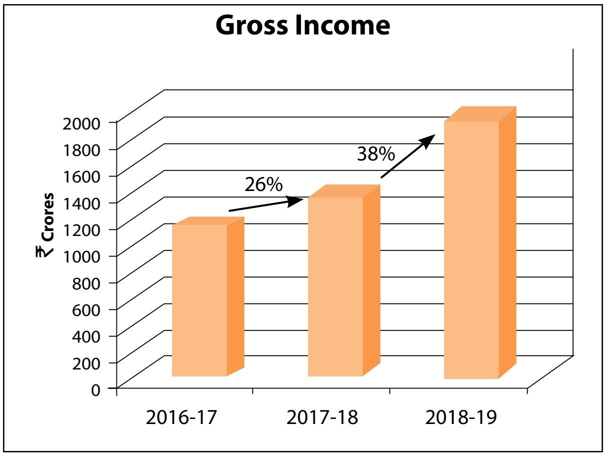
The infrastructure developed by the Company enabled the flow of LNG and domestic gas from various sources, including gas from Rajasthan fields, to reach various regions of Gujarat.

The Company has managed with a lean manpower strength on account of its well thought out strategy of developing major pipeline projects on EPC (Engineering, Procurement and Construction) Model.

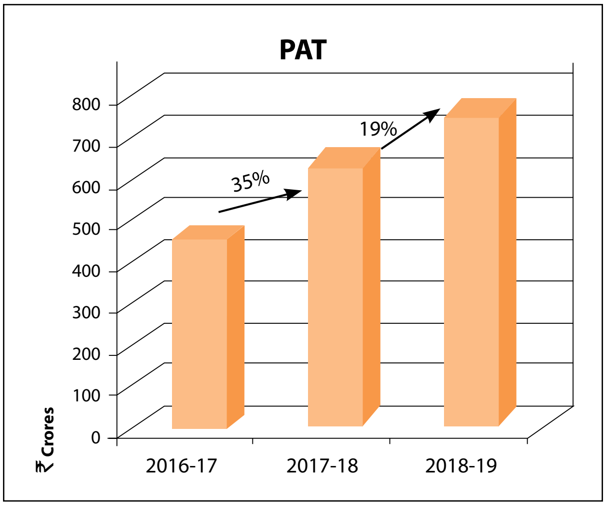
The Company transported 12618 MMSCM of natural gas during the year, an increase of 10% over last year's volumes transportation of 11511 MMSCM.

Income from transportation of gas for the year was ₹ 1832.42

Crore, increase of 42% over last year's Income of ₹ 1286.73 Crore. Gross Income has increased by 38%.



Profit After Tax for the year was ₹ 794.67 Crore as compared to ₹ 668.43 Crore in the previous year, recording an increase of 19%.



The Net Worth of the Company has increased from ₹ 5065.04 Crore to ₹ 5744.01 Crore. During the year, Gross Block of Assets increased from ₹ 3651.20 Crore to ₹ 4324.50 Crore.

The Company continues to have a healthy Debt Equity Ratio of less than 1.

Wind Power Project:

Your Company believes that renewable energy sources can offer enormous economic, social and environmental benefits and India has the highest potential for effective use of the renewable energy sources like wind power.

Considering the cost benefit which a Wind Power Project can offer, your Company ventured into and has successfully completed commissioning of the Wind Power Project of 52.5 MW at Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar in the State of Gujarat.

The Company has generated 11,85,38,758 units of power from the same which resulted in the revenue of approx ₹ 41.73 Crores in the year.

F. KEY FINANCIAL RATIOS:

1. Interest Coverage Ratio for the year was at 6.22 compared to 25.25 of previous Financial Year. Due to higher Interest expenses during FY 2018-19 there is significant change in Interest Coverage ratio.
2. Debt Equity Ratio was at 0.41 as compared to 0.60 of previous Financial Year. Due to repayment of (net) ₹ 691 Crores of the outstanding loan during current financial year, there is significant change in the Debt Equity Ratio.
3. Return on Net Worth for the year increased from 0.14 to 0.15 over the previous year due to increase in Profit After Tax during the Year.

Other Financial Ratios:

1. Debtors Turnover Ratio as at 31st March, 2019 is 11.32 vis - a - vis 10.99 as at 31st March, 2018.
2. Current Ratio as at 31st March, 2019 is 0.39 vis - a - vis 0.40 as at 31st March, 2018.
3. Operating Profit Margin Ratio for the year is 0.82 vis - a - vis 0.86 for previous year.
4. Net Profit Margin Ratio for the year is 0.41 vis - a - vis 0.48 for the previous year.

G. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

Risk Management:

Your Company is in the process of adopting a comprehensive Risk Management System which identifies and documents business risks as well as provides for appropriate controls to mitigate these risks to the best extent possible across all aspects of the Company's business.

The said Risk Management System is based on the principle by which risks are currently managed across the Company. All functional teams address risks relevant to the assets, projects or functions and also work towards identifying appropriate mitigation strategies. Moreover, the Company has always focused on developing a "risk culture" that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.

Based on the current economic scenario affecting the Oil & Gas sector and the prevalent regulatory regime, these are the major risks being faced by your Company:

1. Affordability and Availability of Natural Gas:

Current estimates and outlooks for natural gas availability are positive and the likelihood of over-supply is nil. However, for an emerging economy like India, affordability of natural gas vis-á-vis other fuels, especially in the wake of rising oil prices is definitely a concern. In fact, the biggest risk for gas is its affordability in key demand sectors, such as Industries and Power. It is believed that rebalancing of global oil prices could also reduce the attractiveness of LNG usage by these sectors.

Moreover, considerable investments by upstream players in further developing gas fields shall also need consistent support from the Centre in form of fiscal / tax incentives. Decline in domestic gas production can adversely affect the gas market.

2. Regulatory Risk:

The Petroleum and Natural Gas Regulatory Board (PNGRB) constituted in 2007, regulates midstream and downstream activities in the petroleum and natural gas sector. It protects the interests of consumers and entities engaged in the specified activities and ensures uninterrupted and adequate supply of petroleum, petroleum products and natural gas in all parts of the country to promote competitive markets.

PNGRB has been working towards operationalizing a gas trading hub/exchange. However, there are several decisions / policy initiatives / consultations that the Board shall have to delve into prior to establishment of the hub, including creation of an independent TSO, standard gas transmission agreement, coverage of natural gas under GST, quantity for gas trading, bidding criteria / tariff determination for new infrastructure.

Your Company believes that it is important that all critical issues are addressed in a way that it does not lead to market distortion in favour of a dominant player. It is expected that improved regulatory scenario would ensure more investments in the sector.

3. Safety and Operational Risk:

The changing technologies and the natural ageing of existing facilities like Pipelines and stations pose a risk as aged Pipelines are prone to unplanned shutdowns, increased maintenance and operating costs. Deployment of new technologies in line with Pipeline Integrity Management Systems and ongoing maintenance processes are the key to enhance the reliability of operations and reduction in operating costs as well as for maximising the life of assets while improving the safety of operating conditions. Pipeline system's safety is also a major challenge and even minor operational issue and safety issues may cause major safety hazards, disrupt operations at large levels, pose danger to life, property and safety of people and penalties from statutory/regulatory bodies and reputation of the organisation may also be at stake.

Internal Control Systems:

The Company has a proper and adequate system of internal controls commensurate with its size of operations and nature of business. The Company's internal control systems are further supplemented by extensive programs of audits, i.e. internal audit, proprietary audit by the Comptroller & Auditor General of India (C&AG) and statutory audit by Statutory Auditors appointed by the C&AG. The internal control system is designed to ensure that all financials and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets and compliance with statutory requirements.

The Company has mapped a number of business processes on to SAP system, thereby leading to significant improved controls & transparency. Your Company also continues to invest in Information Technology to support various business processes.

H. HUMAN RESOURCES

During the year, the Company did not experience any strikes or lockouts.

The increasing human capital aspirations and the competitive environment are a major challenge for the Company in terms of attracting and retaining the human talent. In order to remain competitive, it is imperative that Company has to hire and retain sufficient number of skilled talent so as to strengthen its technical and project management skills.

The Company employed 230 employees as on 31st March, 2019 (Previous year: 221 employees).

The Company believes that training and personnel development is of vital importance to create a climate where people maximize their technical skills and inner potential which can help the Company in capitalizing the emerging business opportunities through their involvement. During the year, employees were sent for various training programs and seminars in line with the Annual Training Calendar to enhance employee skills/knowledge.

The Company has in place an attractive policy of performance linked incentive to encourage and reward employee performance.

Forward Looking Statements:

This Annual Report contains forward-looking statements, which may be identified by words like will, believes, plans, expects, intends, estimates or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth and market position are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that the assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or event.

ANNEXURE - II

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Gujarat State Petronet Limited (GSPL) is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedication to increase long-term shareholders' value.

2. BOARD OF DIRECTORS

A. Composition of the Board:

As per requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Structure of the Company maintains an optimum combination of Executive, Non Executive Directors with at least one Woman (Independent) Director and half of the Board of Directors comprising of Independent Directors. The Composition of the Board is in conformity with the Listing requirements. The detailed composition of the Board of Directors as on 31st March, 2019, their category and their Directorship in the companies and Membership/Chairmanship in the Committees of the Board are given below:

Sr. No.	Name of the Director	Position / Category++	* Number of Directorship as on 31.03.2019 including GSPL	** Number of Membership/ Chairmanship in Board Committee as on 31.03.2019 including GSPL		Name of other Listed Entities where the Director holds Directorship	Category of Directorship
				Membership+	Chairmanship		
1.	Shri M M Srivastava, IAS (Retd.)	Non Executive Chairman (GSPC[1] Nominee)	2	0	0	-	-
2.	Shri Arvind Agarwal, IAS	Non Executive Director	10	5	2	1. Gujarat State Fertilizers & Chemicals Limited 2. Gujarat Alkalies and Chemicals Limited	Director
3.	Smt. Shridevi Shukla	Woman Independent Director	1	0	0	-	-
4.	Dr. R Vaidyanathan	Independent Director	9	3	1	1. Dalmia DSP Limited	Independent Director
5.	Prof. Yogesh Singh	Independent Director	4	2	1	-	-
6.	Dr. Bakul Dholakia	Independent Director	5	2	2	1. Arvind Limited 2. Ashima Limited	Independent Director
7.	Dr. Sudhir Kumar Jain	Independent Director	5	2	0	-	-
8.	Shri Bhadresh Mehta	Independent Director	3	1	2	1. Gujarat Minerals and Developments Corporation Limited	Independent Director
9.	Shri Bimal N Patel	Independent Director	1	0	0	-	-
10.	Dr. T Natarajan, IAS	Joint Managing Director (GSPC[1] Nominee)	10	4	0	1. Petronet LNG Limited 2. Gujarat Gas Limited	Director
11.	Dr. J N Singh, IAS	Managing Director (GSPC[1] Nominee)	9	0	2	1. Gujarat Gas Limited 2. Gujarat State Fertilizers & Chemicals Limited 3. Gujarat Narmada Valley Fertilizers & Chemical Limited 4. Gujarat Alkalies and Chemicals Limited	Chairman

1. *Gujarat State Petroleum Corporation Limited.*

\+ *Membership excludes Chairmanship.*

* *Excluding Directorship held in Foreign Companies.*

** *Indicates Membership/Chairmanship in the Audit Committee and Stakeholders Relationship Committee (excluding Private Limited Companies, Foreign Companies and Section 8 Companies).*

++ *None of the Directors of the Company are related inter-se.*

B. Board Meetings held during the year 2018 - 19:

The Board meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business/ company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation in the Meetings of the Company. Apart from this, the Meetings of the Board are also convened or the approval of the Board is obtained through circulation of resolution to all the Directors in case some urgent/special situation arises. Such circular resolution is also noted in the next Board Meeting. Further, when it is not possible to attend meeting physically, option to attend the Meeting through Video Conferencing is made available to the Directors to enable their participation.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting or / and the presentations are made by the concerned persons to the Board. Further, officials/representatives who can give additional insight in to the items being discussed are invited during the Meeting.

During the year 2018 - 2019, the Board met 5(Five) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	21st May, 2018
2	30th July, 2018
3	3rd November, 2018
4	3rd January, 2019
5	8th February, 2019

C. Attendance of each Director at the Board Meeting during the year 2018 – 2019 and at last AGM was as follows:

Sr. No.	Name of the Director	Number of Board Meetings held during their tenure as Director	Number of Board Meetings attended	Attendance at last AGM held on 28th September, 2018
1	Shri M M Srivastava, IAS (Retd.)	5	5	Yes
2	Shri Sujit Gulati, IAS (upto 16th July, 2018)	1	1	NA
3	Shri Arvind Agarwal, IAS (w.e.f. 14th June, 2018)	4	2	No
4	Shri Raj Gopal, IAS (w.e.f. 8th August, 2018 upto 1st February, 2019)	2	1	No
5	Smt. Shridevi Shukla	5	5	Yes
6	Dr. R Vaidyanathan	5	5	Yes
7	Prof. Yogesh Singh	5	1	Yes
8	Dr. Bakul Dholakia	5	2	No
9	Dr. Sudhir Kumar Jain	5	4	No
10	Shri Bhadresh Mehta	5	5	Yes
11	Shri Bimal N Patel	5	3	No
12	Dr. T Natarajan, IAS	5	5	Yes
13	Dr. J N Singh, IAS	5	5	No

Note: The Directors were granted the leave of absence for non attendance at the Meeting of the Board of Directors of the Company.

3. AUDIT COMMITTEE

The composition of the Audit Committee as on 31st March, 2019 is as follows:

1. Prof. Yogesh Singh - Chairman
2. Dr. R Vaidyanathan - Member
3. Dr. Bakul Dholakia - Member
4. Dr. Sudhir Kumar Jain - Member
5. Shri Bhadresh Mehta - Member
6. Shri Arvind Agarwal, IAS - Member
7. Dr. T Natarajan, IAS - Member

Ms. Reena Desai, Company Secretary acts as a Secretary to the Audit Committee.

Note: At least two-third members of the Audit Committee are Independent Directors with Chairman of the Audit Committee being an Independent Director and having financial and accounting knowledge.

The powers of the Audit Committee as conferred by the Board of Directors in accordance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the overview of the Company's financial reporting process and related disclosures to ensure that the financials are correct, sufficient and credible. The Committee will also undertake the review, with our management, of our annual and quarterly financial statements before submission to the Board for approval. The Committee shall also review the adequacy of our internal control systems, internal audit functions and discuss any significant findings of the internal auditors. The Committee shall also discuss with our statutory auditors prior to their commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern. The Audit Committee shall examine the reasons for substantial defaults in the payments by the Company to depositors, debenture holders, shareholders (in case of non - payment of declared dividends) and creditors. The Committee shall also review the utilization of loans and/ or advances from/investment by the company in its subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments. The Committee shall also review the functioning of whistle blower mechanism.

During the year 2018 - 2019, the Audit Committee met 4 (Four) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	21st May, 2018
2	30th July, 2018
3	3rd November, 2018
4	8th February, 2019

The attendance of the Members at the Audit Committee Meetings during the year 2018 - 2019 was as follows:

Sr No.	Name of the Audit Committee Members	Number of Audit Committee Meetings held while holding the office	Number of Audit Committee Meetings attended
1	Prof. Yogesh Singh	4	1
2	Dr. R Vaidyanathan	4	4
3	Dr. Bakul Dholakia	4	2
4	Dr. Sudhir Kumar Jain	4	3
5	Shri Bhadresh Mehta	4	4
6	Shri Arvind Agarwal, IAS (w.e.f 14th June, 2018)	3	1
7	Dr. T Natarajan, IAS	4	4

The Chairman of the Audit Committee remained present at the Annual General Meeting of the Company held on 28th September, 2018 to answer shareholder queries.

4. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee as on 31st March, 2019 is as follows:

1. Prof. Yogesh Singh - Chairman
2. Shri M M Srivastava, IAS (Retd.) - Member
3. Dr. R Vaidyanathan - Member

The role of the Nomination and Remuneration Committee inter-alia includes the following:

a. Formulation of criteria for determining qualifications, positive attributes and independence of a director.

b. Formulation of criteria for evaluation of Independent Directors and the Board.

c. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

d. To devise a Policy on Board Diversity.

e. Formulate and recommend to the Board a Policy relating to the remuneration for the directors, key managerial personnel and other employees.

f. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

g. Recommend to the board, all remuneration, in whatever form, payable to senior management.

h. To formulate, administer and monitor detailed terms and conditions of the Employees' Stock Option Scheme(s) of the Company.

i. To carry out any other function as delegated by the Board from time to time and / or required by any statutory notification, amendment or modification, as may be applicable.

During the year 2018 - 2019, the Nomination and Remuneration Committee met 2 (Two) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	3rd November, 2018
2	8th February, 2019

The attendance of the Members at the Nomination and Remuneration Committee Meetings during the year 2018 - 2019 was as follows:

Sr No.	Name of the Nomination and Remuneration Committee Members	Number of Nomination and Remuneration Committee Meetings held while holding the office	Number of Nomination and Remuneration Committee Meetings attended
1	Prof. Yogesh Singh	2	1
2	Shri M M Srivastava, IAS (Retd.)	2	2
3	Dr. R Vaidyanathan	2	2

The details on performance evaluation criteria for Directors including Independent Directors are already provided under the head "Board Evaluation" in the Director's Report.

5. REMUNERATION/SITTING FEES TO DIRECTORS

i) Remuneration to Directors:

During the Financial Year 2018 - 19, the Company has paid remuneration of approx ₹ 16.83 /- Lacs to Shri M M Srivastava, IAS (Retd.), Non - Executive Chairman pursuant to approval of Members at the 20th Annual General Meeting held on 28th September, 2018 for payment of remuneration for the period from 24th August, 2018 to 23rd August, 2019. The payment of remuneration & perquisites to Shri M M Srivastava, IAS (Retd.) is as per the terms and conditions stipulated by the Govt. of Gujarat in its Resolution dated 10th May, 2013. Further, as Shri M M Srivastava, IAS (Retd.) has been nominated as Non-Executive Chairman by Gujarat State Petroleum Corporation Limited, the Notice Period and Severance Fees are not applicable.

Further, the Board of Directors of the Company has recommended payment of remuneration to Shri M M Srivastava, IAS (Retd.) for the period of six months w.e.f. 24th August, 2019 pursuant to Govt. of Gujarat Resolution dated 10th May, 2013 and letter dated 26th August, 2019 for approval of the Members at the ensuing Annual General Meeting under the applicable provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The total approx remuneration will be ₹ 9.81 Lacs for the said period.

ii) Sitting Fees to Directors:

The Sitting Fees paid to the Directors who are IAS Officers is deposited in government treasury. No Director is entitled to any benefit upon termination of his Directorship/Employment in the Company.

At present, Company pays ₹ 7500/- per Meeting as Sitting Fees to the Directors (except Managing Director and Joint Managing Director) for attending Board/ Committee Meeting.

During the year 2018 - 2019, the Company has paid ₹ 4,87,500/- in aggregate towards Sitting Fees to the Directors.

iii) Stock Options granted to Directors:

ESOP - 2010:

Presently, the Company has not granted Stock Options to the Directors under ESOP – 2010.

Except Dr. Bakul Dholakia who holds 3500 Equity Shares, no other Director holds any Share in the Company.

Further, apart from Shri M M Srivastava, IAS (Retd.) who is in receipt of remuneration, none of the Non-Executive Directors has any other pecuniary interest in the Company.

iv) Terms of appointment of Managing Director:

Dr. J N Singh, IAS has been appointed as Managing Director of the Company w.e.f. 16th April, 2016. He will hold his office till further intimation by Gujarat State Petroleum Corporation Limited. Further, Dr. T Natarajan, IAS was appointed as Joint Managing Director w.e.f. 4th August, 2016 and continued till 22nd August, 2019. No remuneration is paid by the Company to Dr. J N Singh, IAS and Dr. T Natarajan, IAS during the year.

v) Remuneration/fees to Statutory Auditors:

During the Financial Year 2018 – 19, the Company has made total payment of ₹ 5,71,954/- to the Statutory Auditors of the Company (i.e. ₹ 4,37,133/- to M/s Anoop Agarwal & Co. and ₹ 1,34,821/- to M/s V V Patel & Co.).

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders Relationship Committee as on 31st March, 2019 is as follows:-

1. Dr. R Vaidyanathan - Chairman
2. Dr. Sudhir Kumar Jain - Member
3. Dr. T Natarajan, IAS - Member

During the year 2018 - 2019, the Stakeholders Relationship Committee met 1 (one) time. Details of the Meeting is as follows:-

Sr. No.	Date of Meeting
1	21st May, 2018

The attendance of the Members at the Stakeholders Relationship Committee Meeting during the year 2018 - 2019 was as follows:

Sr No.	Name of the Stakeholders Relationship Committee Members	Number of Stakeholders Relationship Committee Meetings held while holding the office	Number of Stakeholders Relationship Committee Meetings attended
1	Dr. R Vaidyanathan	1	1
2	Shri Sujit Gulati, IAS (upto 16th July, 2018)	1	1
3	Shri Raj Gopal, IAS (w.e.f. 8th August, 2018 upto 1st February, 2019)	NA	NA
4	Dr. Sudhir Kumar Jain (w.e.f. 8th February, 2019)	NA	NA
5	Dr. T Natarajan, IAS	1	1

The status of Shareholders complaint as on 31st March, 2019 is as follows:-

Particulars	Opening as on 01.04.2018	Received* during the year	Disposed during the year	Balance as on 31.03.2019
No. of complaints	NIL	207	207	NIL

** The Complaints received were mainly in the nature of non receipt of Dividend Warrants, requests for duplicate/revalidation of Dividend Warrants etc.*

Number of complaints received during the year as a percentage of total number of Members as on 31st March, 2019 is 0.17%

Ms Reena Desai, Company Secretary acts as Compliance Officer of the Company.

7. ATTENDANCE OF EACH DIRECTORS AT THE COMMITTEE MEETINGS OTHER THEN THOSE STATED ABOVE AND CONVENED DURING THE FINANCIAL YEAR 2018 – 2019

1. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year 2018 - 2019, the Corporate Social Responsibility Committee met 2 (Two) times. Details of the Meetings are as follows:

Sr. No.	Date
1	21st May, 2018
2	8th February, 2019

The attendance of the Members at the Corporate Social Responsibility Committee Meetings during the year 2018 - 2019 was as follows:

Sr No.	Name of the Corporate Social Responsibility Committee Members	Number of Corporate Social Responsibility Committee Meetings held while holding the office	Number of Corporate Social Responsibility Committee Meetings attended
1	Shri M M Srivastava, IAS (Retd.)	2	2
2	Prof. Yogesh Singh	2	0
3	Dr. T Natarajan, IAS	2	2

2. PROJECT MANAGEMENT COMMITTEE

During the year 2018 - 2019, the Project Management Committee met 2 (two) times. Details of the Meetings are as follows:

Sr. No.	Date
1	30th July, 2018
2	1st March, 2019

The attendance of the Members at the Project Management Committee Meetings during the year 2018 - 2019 was as follows:

Sr No.	Name of the Project Management Committee Members	Number of Project Management Committee Meetings held while holding the office	Number of Project Management Committee Meetings attended
1	Shri M M Srivastava, IAS (Retd.)	2	2
2	Dr. Bakul Dholakia	2	1
3	Shri Arvind Agarwal, IAS (w.e.f. 14th June, 2018)	2	1
4	Shri Sujit Gulati, IAS (Upto 16th July, 2018)	NA	NA
5	Shri Raj Gopal, IAS (w.e.f. 8th August, 2018 upto 1st February, 2019)	NA	NA
6	Dr. T Natarajan, IAS	2	2
7	Dr. J N Singh, IAS	2	2

3. PERSONNEL COMMITTEE

During the year 2018 - 2019, the Personnel Committee met 1 (One) time. Details of the Meetings are as follows:

Sr. No.	Date
1	4th June, 2018

The attendance of the Members at the Personnel Committee Meeting during the year 2018 - 2019 was as follows:

Sr No.	Name of the Personnel Committee Members	Number of Personnel Committee Meetings held while holding the office	Number of Personnel Committee Meetings attended
1	Shri M M Srivastava, IAS (Retd.)	1	1
2	Shri Sujit Gulati, IAS (upto 16th July, 2018)	1	1
3	Shri Raj Gopal, IAS (w.e.f. 8th August, 2018 upto 1st February, 2019)	NA	NA
4	Dr. R Vaidyanathan	1	1
5	Dr. T Natarajan, IAS	1	1
6	Dr. J N Singh, IAS	1	1

8. GENERAL BODY MEETINGS

A. Schedule of the last three Annual General Meetings of the Company is presented below:

Year	Date & Time of AGM	Venue	Special Resolutions passed
2017 - 18	28th September, 2018, 3.30 P.M.	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382010	No
2016 - 17	28th September, 2017, 3.30 P.M.	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382010	No
2015 - 16	22nd September, 2016, 3.00 P.M.	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382010	No

B. Postal Ballot:

During the year, no resolution was passed through postal ballot.

9. DISCLOSURES

There are certain transactions with related parties which have been disclosed at the relevant place in the Notes to the Annual Accounts. No such related party transactions may have potential conflict with the interests of the Company at large.

There is no non compliance on any capital market related matter since the listing of Company's security on Stock Exchanges. Further, no penalty has been imposed either by SEBI or Stock Exchanges or any Statutory Authority on any capital market related matter during the last three years.

10. MEANS OF COMMUNICATION

The Financial Results of the Company are normally published in one National news paper in English (in one or more news papers like Business Standard/Financial Express/Mint/Economic Times/The Hindu/ Business Line) and one Regional news paper (in one or more news papers like Gujarat Samachar/Divya Bhaskar/Sandesh/Gandhinagar Samachar). These Results can also be viewed from the Company's website www.gspcgroup.com. Further, the Financial Results and other required filings of the Company can also be viewed on the website of The National Stock Exchange of India Limited (www.nseindia.com) and The Bombay Stock Exchange Limited (www.bseindia.com).

11. CODE OF CONDUCT

Code of Conduct for Directors and Senior Management:

The Board of Directors of the Company has adopted a Code of Conduct and made it applicable to the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the Code. The declaration by Managing Director to this effect has been made elsewhere in this Annual Report.

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Person(s):

Pursuant to the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has revised its existing Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Person(s) in line with the amendments in the Regulations and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to the Designated Person(s) and the Immediate Relative(s) of such Designated Person(s) of the Company who can have access to Unpublished Price Sensitive Information relating to the Company.

12. ETHICAL BEHAVIOR AND VIGIL MECHANISM

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has an Ethical Behavior and Vigil Mechanism for Directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Code of Conduct of GSPL and/ or GSPC Group. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Management affirms that no employee of the Company was denied access to the Audit Committee. The Company has provided the details of the said Policy on the website of the Company http://gspcgroup.com/documents/pagecontent/Vigil_Mechanism_Policy.pdf.

13. POLICY FOR MATERIAL SUBSIDIARIES

As required under Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has formulated a Policy for determining "Material" Subsidiaries. The Policy is available on the website of the Company at http://gspcgroup.com/documents/pagecontent/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions.pdf.

14. POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS AND DEALING WITH RELATED PARTY TRANSACTIONS

As required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has formulated a Related Party Transactions Policy. The Policy is available on the website of the Company at http://gspcgroup.com/documents/pagecontent/Policy-on-Materiality-of-Related-Party-Transactions-and-dealing-with-Related-Party-Transactions.pdf

15. DIVIDEND DISTRIBUTION POLICY

The Company has adopted Dividend Distribution Policy in terms of the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Policy is available on the website of the Company at http://gspcgroup.com/documents/pagecontent/Dividend-Distribution-Policy.pdf. The Dividend Distribution Policy forms a part of this Report.

16. APPOINTMENT OF INDEPENDENT DIRECTORS

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the applicable Corporate Governance requirements. The terms and conditions of appointment have also been disclosed on the website of the Company at http://gspcgroup.com/documents/pagecontent/GSPL-Terms-and-Conditions-of-Letter-of-Appointment-to-Independent-Director.pdf

17. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has formulated a Policy on Familiarization Programme for Independent Directors. The Programme aims to familiarize Independent Directors with activities of the Company so as to enable them to make effective contribution and to assist them in discharging their functions as a Board Member. The Company's Policy on Familiarization Programme for Independent Directors has been disclosed on the website of the Company at http://gspcgroup.com/documents/pagecontent/Policy-on-Familiarization-Programme-for-Independent-Directors.pdf.

18. LIST OF IDENTIFIED CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS

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

Areas	Description
Industry Knowledge & Strategy Planning	Broad Industry experience including its entire value chain and indepth experience in corporate strategy and planning.
Infrastructure Development	Broad understanding of Project Infrastructure, Finance, Taxation, Investment strategies, Corporate Governance.
Leadership	Broad experience of guiding and leading management teams.
Technology	Broad understanding of Technological developments in Hydrocarbon Industry.

19. CERTIFICATION FROM A COMPANY SECRETARY IN PRACTICE

M/s K K Patel & Associates has issued a Certificate as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed as Annexure - A.

20. GENERAL SHAREHOLDERS INFORMATION

A. Schedule & Venue of the 21st Annual General Meeting of the Company:

Date & Day	:	24th September, 2019, Tuesday
Time	:	3:30 P.M
Venue	:	Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector - 11, Gandhinagar - 382010.

B. Financial Year and Calendar:

The Financial Year of the Company starts on 1st April and ends on 31st March every year.

Financial Calendar for 2019 - 2020 (Tentative Schedule) for adoption of quarterly results for:

Quarter ending 30th June, 2019	2nd August, 2019
Quarter ending 30th September, 2019	Before 14th November, 2019
Quarter ending 31st December, 2019	Before 14th February, 2020
Quarter & Year ending 31st March, 2020 (Audited)	Before 30th May, 2020

C. Book Closure Date:
Saturday, 14th September, 2019 to Tuesday, 24th September, 2019 (both days inclusive).

D. Dividend Payment:
The Dividend, if approved by the Shareholders will be paid on or after 1st October, 2019.

Unclaimed Dividends/Shares

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules also mandates companies to transfer Shares of Shareholders whose Dividends remain unpaid / unclaimed for a continuous period of seven years to the Demat Account of IEPF Authority. Further, the Shareholders whose Dividend / Shares are transferred to the IEPF Authority can claim it from the Authority after following the necessary procedure.

In accordance with Section 125 of the Companies Act, 2013 read with the said IEPF Rules, the Company in the month of November 2018 has transferred, 51438 Equity Shares, corresponding to the unclaimed Dividends declared by the Company for the Financial Year 2010 - 2011 to 2016 -17 which remained unclaimed, to the Demat Account held by IEPF Authority after following the due procedure prescribed under the Companies Act, 2013 and the IEPF Rules.

The Unclaimed Dividends in respect of the Financial Year 2011 - 2012 is due for transfer IEPF on 24th October, 2019. Further, the Company has sent Notice to all Shareholders whose Shares are due to be transferred to the IEPF Authority and has also published requisite advertisements in the newspapers. In view of this, the Members of the Company, who have not yet encashed their Dividend Warrant(s)/ claimed their Dividend(s) declared by the Company are requested to claim the same from the Company along with necessary documentary proof.

Further, in terms of the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 your Company has uploaded the Unclaimed Dividend details in respect of the Dividends declared by the Company for the Financial Years 2011 - 2012 onwards on the Company's website www.gspcgroup.com under separate dedicated section 'Investors". The said details of Unclaimed Dividend are updated by the Company on Company's Website on a half yearly basis.

In accordance with Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 500 Equity Shares issued to 2 Shareholders (previous year: 750 Equity Shares issued to 3 Shareholders) of the face value of ₹ 10 each are lying in the "GSPL Unclaimed Shares Demat Suspense Account" maintained by the Company. The voting rights on the Shares outstanding in the suspense account as on 31st March, 2019 shall remain frozen till the rightful owner of such Shares claims the Shares.

Due Dates for Transfer of Unclaimed Dividend to IEPF:

Year	Dividend rate per share (₹)	Date of Declaration of Dividend by the Shareholders in AGM	Unclaimed Dividend Amount (₹)	Due Date
2011 - 2012	1.00 (i.e. 10%)	25th September, 2012	1545251.00	24th October, 2019
2012 - 2013	1.00 (i.e. 10%)	27th September, 2013	1348087.00	26th October, 2020
2013 – 2014	1.00 (i.e. 10%)	25th September, 2014	1256223.00	24th October, 2021
2014 - 2015	1.20 (i.e. 12%)	24th September, 2015	1396906.40	23rd October, 2022
2015 - 2016	1.50(i.e. 15%)	22nd September, 2016	1988128.50	21st October, 2023
2016 - 2017	1.50(i.e. 15%)	28th September, 2017	1845965.00	27th October, 2024
2017 - 2018	1.75(i.e. 17.5%)	28th September, 2018	1632144.50	27th October, 2025

E. Listing on Stock Exchanges and Scrip Codes:

Name of Stock Exchanges	Scrip Code
1. The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	532702
2. The National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	GSPL

The Company has also entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN no. for Company's securities is INE246F01010.

Note:

1. The necessary listing fees has already been paid to both the Stock Exchanges.

F. Stock Market Data:

Market Price Data in BSE and NSE is as follows:

Month	BSE Sensex		Company's Share price on BSE		NSE Nifty		Company's Share price on NSE	
	High	Low	High	Low	High	Low	High	Low
April 2018	35213.30	32972.56	195.00	175.85	10759.00	10111.30	194.20	177.20
May	35993.53	34302.89	186.00	165.55	10929.20	10417.80	184.90	165.20
June	35877.41	34784.68	199.00	174.05	10893.25	10550.90	197.85	175.30
July	37644.59	35106.57	200.50	174.65	11366.00	10604.65	200.90	174.40
August	38989.65	37128.99	206.40	180.00	11760.20	11234.95	207.00	180.15
September	38934.35	35985.63	198.35	156.95	11751.80	10850.30	198.30	156.45
October	36616.64	33291.58	183.55	161.90	11035.65	10004.55	183.75	161.20
November	36389.22	34303.38	191.40	177.40	10922.45	10341.90	190.95	177.20
December	36554.99	34426.29	188.80	173.60	10985.15	10333.85	189.50	172.85
January 2019	36701.03	35375.51	187.20	167.75	10987.45	10583.65	187.30	167.50
February	37172.18	35287.16	179.70	149.15	11118.10	10585.65	180.05	148.65
March	38748.54	35926.94	191.35	157.80	11630.35	10817.00	193.30	157.60

G. Registrar and Share Transfer Agent and Share Transfer System:

The Company has appointed Karvy Fintech Private Limited (earlier known as Karvy Computershare Private Limited) as the Registrar and Share Transfer Agent of the Company for both Physical as well as Demat mode.

The Company has entrusted Karvy Fintech Private Limited with the responsibility of ensuring effective resolution and disposal of all kinds of investor grievances such as Demat, Remat, non receipt of Dividend, etc.

Investors may contact our Registrar and Share Transfer Agent at the following address for their queries:-

Karvy Fintech Private Limited

Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, Hyderabad – 500 032
Andhra Pradesh, India Tel: +91-40- 67161518 **Fax:** +91-40- 23420814
Email: mailmanager@karvy.com **Website:** www.karvyfintech.com
Contact person: Mr. Suresh Babu D

H. Distribution of Shareholding:

Distribution of shareholding as on 31st March, 2019 is given below:

Category (Amount of Shares)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	110797	88.91	19205668	03.41
5001-10000	8554	06.86	6392079	01.13
10001-20000	2848	02.29	4156775	00.74
20001-30000	828	00.67	2091302	00.37
30001-40000	329	00.27	1166418	00.21
40001-50000	304	00.24	1425363	00.25
50001-100000	427	00.34	3030070	00.54
100001 & above	528	00.42	526503678	93.35
Total	**124615**	**100.00**	**563971353**	**100.00**

I. Dematerialization of Shares and its liquidity:
Equity Shares representing 99.997% of the total Equity Shares of the Company are held in Dematerialized Form and Equity Shares representing 0.003% are in Physical Form as on 31st March, 2019.

J. Plant Locations:
The Company is developing pipeline infrastructure for transportation of gas. Presently, the Company has commissioned pipeline projects covering various locations in the State of Gujarat. The required details of these locations are specified in Directors' Report which forms part of this Annual Report. The Company has also set up wind power project of 52.5 MW in the areas of Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar. The Company being authorised to develop City Gas Distribution (CGD) Network in the area of Amritsar District (Punjab) and Bhatinda GA (Punjab) is developing CGD Infrastructure in the area of Amritsar and Bhatinda.

K. Address for correspondence with the Company:
The address for correspondence with the Company is given below:-

Gujarat State Petronet Limited
GSPL Bhavan, E-18, GIDC Electronic Estate, Sector - 26, Nr. K-7 Circle, Gandhinagar - 382028.
Ph.: +91-79-23268500 | **Fax:** +91-79-23268506
Website: www.gspcgroup.com | **Email:** investors.gspl@gspc.in

L. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversions date and likely impact on Equity:
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

M. Non-Mandatory Requirements:

The Company has complied with the following Non-Mandatory Requirements:

1. Audit Qualifications
There are no qualifications in the Auditors' Report on the financial statements to the Shareholders of the Company.

2. Separate posts of Chairman and Managing Director
The positions of the Chairman and Managing Director are separate.

3. Reporting of Internal Auditor
The Internal Auditor has access and may report directly to the Audit Committee.

For and on behalf of the Board of Directors

Date: 27th August, 2019
Place: Gandhinagar

M M Srivastava, IAS (Retd.)
Chairman

Declaration by Managing Director in terms of Regulation 26 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I confirm that all the Board Members and Senior Management have affirmed their compliance with the Code of Conduct for the year ended 31st March, 2019.

Date: 2nd August, 2019
Place: Gandhinagar

Dr. J N Singh, IAS
Managing Director

ANNEXURE - A CERTIFICATE

(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
GUJARAT STATE PETRONET LIMITED
GSPC Bhavan, Behind Udyog Bhavan,
Sector - 11, Gandhinagar – 382 010

Based on verification of registers, records, forms and returns filled and other records maintained by **GUJARAT STATE PETRONET LIMITED** bearing CIN L40200GJ1998SGC035188 and having registered office at GSPC Bhavan, Behind Udyog Bhavan, Sector - 11, Gandhinagar - 382010, Gujarat (hereinafter referred to as 'the Company') and disclosures received from the Directors of the Company and verification of DIN status of Directors on MCA Portal viz. www.mca.gov.in, we hereby report that during the Financial Year ended 31st March, 2019, in our opinion and to the best of our information, none of the Directors on the Board of the Company 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.

For K K Patel & Associates
(Kiran Kumar Patel)
Company Secretaries
FCS: 6384, COP: 6352

Date: 10th July, 2019
Place: Gandhinagar

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members
GUJARAT STATE PETRONET LIMITED
GSPC Bhavan, Behind Udyog Bhavan,
Sector - 11, Gandhinagar – 382 010

We have examined all relevant records of **GUJARAT STATE PETRONET LIMITED** ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended 31st March, 2019. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations, during the year ended 31st March, 2019.

This certificate 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 **MANOJ HURKAT & ASSOCIATES**
Company Secretaries

Manoj R Hurkat
Partner
Membership No.: FCS 4287
Certificate of Practice No.: CP - 2574

Date: 27th August, 2019
Place: Ahmedabad

ANNEXURE - III
AOC - 2
(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014).

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

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

2. **Details of material contracts or arrangement or transactions at arm's length basis:**
   (a) Duration of the contracts/arrangements/transactions: Ongoing/Recurring
   (b) Date of approval by the Board: NA

Nature of Contract/Transactions & Name of the Related Party	Nature of relationship	Salient terms of the contracts or arrangements or transactions including the value of the transaction in FY 2018 - 19 (in ₹), if any *	Amount paid as advances, if any
Reimbursement made/received like for Employee salary/benefits, RoU, electricity Expenses etc			
Gujarat Gas Limited	Subsidiary	29,65,877	NIL
Gujarat State Petroleum Corporation Limited	Holding	4,36,93,294	NIL
Purchase/sale of goods, Availing/Rendering Services			
Gujarat Gas Limited	Subsidiary	6,44,14,924	NIL
Gujarat State Petroleum Corporation Limited	Holding	57,31,91,550	NIL
Refundable deposits received/paid in relation to the Pipeline crossings			
Gujarat Gas Limited	Subsidiary	48,00,000	NIL
Gas Transportation Income			
Gujarat Gas Limited	Subsidiary	3,29,30,32,867	NIL
Gujarat State Petroleum Corporation Limited	Holding	1,73,35,29,452	NIL
Misc Receipts/payments towards business transactions			
Gujarat Gas Limited	Subsidiary	2,82,133	NIL
Gujarat State Petroleum Corporation Limited	Holding	10,84,554	NIL

**All the Transactions are in the ordinary course of business and have been entered on Arm's Length Principle. Further, the threshold for determining the Material Related Party Transactions has been considered as per the terms defined in Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The transactions between two Govt. Companies do not require approval of shareholders under provisions of the Listing Regulations.*

For and on behalf of the Board of Directors

Date: 27th August, 2019
Place: Gandhinagar

Shri M M Srivastava, IAS (Retd.)
Chairman

ANNEXURE - IV
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **The brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

   The Corporate Social Responsibility Policy of the Company is available on the website of the Company viz. www.gspcgroup.com.

2. **Composition of the CSR Committee (As on 31st March, 2019):**

   Shri M M Srivastava, IAS (Retd.) - Chairman
   Prof. Yogesh Singh - Member
   Dr. T Natarajan, IAS - Member

3. **Average Net Profit of the Company for last three Financial Years:**

   ₹ 791.20 Crores (FY 2015 – 16 to FY 2017 – 18).

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

   ₹ 15.82 Crores

5. **Details of CSR spent during the Financial Year:**

   (a) Total amount spent for the Financial Year: approx ₹ 11.77 Crores
   (b) Amount unspent, if any: approx ₹ 4.05 Crores
   (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programmes (1) Local Area or other (2) Specify the state and district where projects or programmes were undertaken	Amount outlay (Budget) projects or programmes wise	Amount spent on the project or programmes		Cumulative expenditure up to the reporting period	Amount spent : Directly or Through Implementing Agency
					Direct expenditure on programmes or projects	Overheads		
1	Health Screening Mobile Vans	Promoting Healthcare/ Eradication of Malnutrition/ Poverty/ Promoting Education etc.	Surat, Navsari and Bharuch	₹ 11,72,00,000/-	₹ 2,13,00,000/-	-	₹ 2,13,00,000/-	Implementing Agency
2	Medical Equipment/ Machine		Ahmedabad		₹ 75,00,000/-	-	₹ 75,00,000/-	Implementing Agency
3	Renovation/ Repair & Maintenance of School		Chhasara Ta.Mundra, Dist. Kutch		₹ 19,00,000/-	-	₹ 19,00,000/-	Implementing Agency
4	Jan Aushadhi Stores		Jamnager, Morbi, Vapi, Bhavnagar, Bharuch, Mundra, Baroda		₹ 40,06,667/-	-	₹ 40,06,667/-	Implementing Agency
5	Cardiac Research, Medical Education, Cardiac Training and up-gradation of Infrastructure, Food Facility etc.		Ahmedabad		₹ 4,75,00,000/-	-	₹ 4,75,00,000/-	Implementing Agency
6	Blood Donation vans		Ahmedabad		₹ 60,00,000/-	-	₹ 60,00,000/-	Implementing Agency
7	Akshay Patra Foundation		Gandhinagar, Vadodara, Bhuj, Kalol		₹ 1,48,52,000/-	-	₹ 1,48,52,000/-	Implementing Agency

Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programmes (1) Local Area or other (2) Specify the state and district where projects or programmes were undertaken	Amount outlay (Budget) projects or programmes wise	Amount spent on the project or programmes		Cumulative expenditure up to the reporting period	Amount spent : Directly or Through Implementing Agency
					Direct expenditure on programmes or projects	Overheads		
8	Sujalam Suflam Jal Abhiyan, Mahisagar	Ensuring Environment sustainability, Conservation of Natural Resources etc.	Mahisagar	₹ 3,00,00,000/-	₹ 20,00,000/-	-	₹ 20,00,000/-	Implementing Agency
9	Tapi Sudhikaran Abhiyan		Surat		₹ 3,00,000/-	-	₹ 3,00,000/-	Implementing Agency
10	Effect of laying Pipeline on Soil Productivity - Soil Research Project		Rajkot, Surat, Gandhinagar, Bharuch		₹ 1,00,00,000/-	-	₹ 1,00,00,000/-	Implementing Agency
11	Renovation of Sainik Rest House	Support to armed forces veterans, war widows and their dependants;	Rajkot	₹ 15,00,000/-	₹ 10,00,000/-	-	₹ 10,00,000/-	Implementing Agency
12	Welfare Activities - Families of Martyrs, War Widows, Disabled Soldiers and their Children		Gujarat		₹ 5,00,000/-	-	₹ 5,00,000/-	Implementing Agency
13	Cattle Feed	Animal Welfare etc.	Bagda & Vaghura Ta. Mundra, Dist. Kutch Sapeda & Chandroda Ta. Anjar, Dist. Kutch	₹ 8,00,000/-	₹ 8,00,000/-	-	₹ 8,00,000/-	Implementing Agency
14	-	Promoting gender equality Women empowerment/ Senior Citizen etc	-	₹ 87,00,000/-	-	-	-	-
	Total			₹ 15,82,00,000/-	₹ 11,76,58,667/-		₹ 11,76,58,667/-	

6. **In case the Company has failed to spend two percent 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:**

The overall CSR Expenditure was approx ₹ 11.77 Crores during the Financial Year 2018 - 19 as against the requirement of ₹ 15.82 Crores. The Company had initiated the process of finalizing the Projects, however, the same could not be materialized during the year and accordingly the Company could not spend approx ₹ 4.05 Crores during the year. The Company is committed to continually explore new opportunities which align to its CSR objectives and in future the Company will endeavor to spend the entire CSR budgeted amount of the respective financial years in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Gujarat State Petronet Limited

Dr. J N Singh, IAS
Managing Director

For and on behalf of the Corporate Social Responsibility Committee of Gujarat State Petronet Limited

M M Srivastava, IAS (Retd.)
Chairman of the Corporate Social Responsibility Committee

ANNEXURE - V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 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]

To,
The Members
GUJARAT STATE PETRONET LIMITED
GSPC Bhavan,
Sector 11, Behind Udyog Bhavan,
Gandhinagar - 382 010

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT STATE PETRONET 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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 the Company for the financial year ended on 31st March, 2019 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder 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') to the extent applicable to the Company:-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   d) The Securities and Exchange Board of India (Share Based Employee Benefits) 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, 2018;

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

   I. Secretarial Standards issued by The Institute of Company Secretaries of India.
   II. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

   a) Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962
   b) Gujarat Water and Gas Pipelines (Acquisition of Right of User in Land) Act, 2000

c) The Petroleum and Natural Gas Regulatory Board Act, 2006

d) The Petroleum Act, 1934

e) The Explosives Act, 1884

f) The Electricity Act, 2003

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors 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.

c) Majority decision is carried through while the dissenting members' views 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 are no events/actions taken place, which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Ahmedabad
Date: 16th July, 2019

For MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner
FCS No.: 4287
C P No : 2574

Note :This Report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this Report.

Annexure - A

To,
The Members
GUJARAT STATE PETRONET LIMITED
GSPC Bhavan,
Sector 11, Behind Udyog Bhavan,
Gandhinagar - 382 010

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 and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 16th July, 2019

For MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner
FCS No.: 4287
C P No : 2574

ANNEXURE - VI
DISCLOSURE REGARDING GSPL EMPLOYEES STOCK OPTION PLAN - 2010

Disclosure for the Financial Year 2018 - 19			
Sr. No	**Particulars**	**ESOP 2010 – Type A**	**ESOP 2010 – Type B**
1	Options granted during the year	Nil	Nil
2	Options Vested during the year	Nil	Nil
3	Options exercised during the year	135356	2405
4	The total number of Shares arising as a result of exercise of Options during the respective financial year	135356	2405
5	Options lapsed during the year	8397	Nil
6	The exercise Price	₹ 75/-	₹ 75/-
7	Variation in terms of Options	Nil	Nil
8	Money realized by exercise of Options during the respective Financial Year	10151700	180375
9	Total Number of Options in force as on 31st March of the respective financial year	229672	12128
10	Employee wise details of Options granted during the year to:		
	(i) Key Managerial Personnel	Nil	Nil
	(ii) Any other employee who received grant in any one year of Options amounting to five percent or more of Options granted during that year	N.A	N.A
	(iii) Identified employees who were granted Option during any one year, equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A	N.A

ANNEXURE - VII

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2019 [PURSUANT TO SECTION 92(3) AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L40200GJ1998SGC035188
ii.	Registration Date	23/12/1998
iii.	Name of the Company	Gujarat State Petronet Limited
iv.	Category / Sub-Category of the Company	Public Company Limited by Shares / State Government Company
v.	Address of the Registered Office and contact details	GSPC Bhavan, B/h. Udyog Bhavan, Sector - 11, Gandhinagar - 382 010 **Tel.:** 079 - 23268500 | **Fax:** 079 - 23268506 **Website :** www.gspcgroup.com | **e-mail:** investors.gspl@gspc.in
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Karvy Fintech Private Limited** **Unit :** Gujarat State Petronet Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 **Email :** einward.ris@karvy.com **Phone :** +91 040 67161518 | **Fax :** +91 40 23420814

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Gas Transportation Business	49300	97.61

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
i.	Gujarat State Petroleum Corporation Limited, GSPC Bhavan, B/h Udyog Bhavan, Sector - 11, Gandhinagar – 382 010	U23209GJ1979SGC003281	Holding company	37.64	2(46)
ii.	Gujarat Gas Limited Gujarat Gas CNG Station, Sector 5/C, Gandhinagar - 382006	L40200GJ2012SGC069118	Subsidiary Company	54.17	2(87)
iii.	GSPL India Gasnet Limited GSPC Bhavan, B/h Udyog Bhavan, Sector - 11, Gandhinagar – 382 010	U40200GJ2011SGC067449	Subsidiary Company	52	2(87)
iv.	GSPL India Transco Limited GSPC Bhavan, B/h Udyog Bhavan, Sector - 11, Gandhinagar – 382 010	U40200GJ2011SGCO67450	Subsidiary Company	52	2(87)
v.	Sabarmati Gas Limited Plot No. 907, Sector – 21, Gandhinagar – 382 021	U40200GJ2006PLC048397	Associate Company	27.47	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF					-	-	-	-	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c)State Govt.(s)	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	212305270	-	212305270	37.65	212305270	-	212305270	37.64	(0.01*)
e)Banks / FI	-	-	-	-	-	-	-	-	-
f)Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**212305270**	**-**	**212305270**	**37.65**	**212305270**	**-**	**212305270**	**37.64**	**(0.01)**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks / FI	-	-	-	-	-	-	-	-	-
e)Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**212305270**	**-**	**212305270**	**37.65**	**212305270**	**-**	**212305270**	**37.64**	**(0.01)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	85642660	-	85642660	15.19	93871825	-	93871825	16.64	1.46
b) Banks / FI	24394940	-	24394940	4.33	24386410	-	24386410	4.32	(0.01)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s) (Bodies Corporate)	56438000	5500000	61938000	10.99	61938000	-	61938000	10.98	(0.01)
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	93745552	-	93745552	16.63	93195418	-	93195418	16.52	(0.10)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**260221152**	**5500000**	**265721152**	**47.13**	**273391653**		**273391653**	**48.48**	**1.35**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	42180866	-	42180866	7.48	35894649	-	35894649	6.36	(1.12)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	34902640	8962	34911602	6.19	33633964	1411	33635375	5.96	(0.23)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5216139	15000	5231139	0.93	3613517	-	3613517	0.64	(0.29)
c) Others (specify)									
Clearing Members	372519	-	372519	0.07	1700058	-	1700058	0.30	0.24
Foreign Bodies	***	***	***	***	***	***	***	***	***
Non Resident Indians	2607897	-	2607897	0.46	3249375	15000	3249375	0.58	0.12
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Trusts	400779	-	400779	0.07	12950	-	12950	0.00	(0.07)
Qualified Foreign Investors	-	-	-	-	-	-	-	--	-
Sub-total (B)(2)	**85783208**	**23962**	**85807170**	**15.22**	**78258019**	**16411**	**78274430**	**13.88**	**(1.34)**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**346004360**	**5523962**	**351528322**	**62.35**	**351649672**	**16411**	**351666083**	**62.36**	**0.01**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**558309630**	**5523962**	**563833592**	**100.00**	**563954942**	**16411**	**563971353**	**100.00**	-

* The reduction in % of shareholding during the year is due to increase in Paid-up Share Capital of the Company consequent to allotment of shares to employees exercising their options under Employee Stock Option Scheme of the Company.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year*
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1.	Gujarat State Petroleum Corporation Limited	212305270	37.65	-	212305270	37.64	-	(0.01)
	TOTAL	**212305270**	**37.65**	**-**	**212305270**	**37.64**	**-**	**(0.01)**

* The reduction in % of shareholding during the year is due to increase in Paid-up Share Capital of the Company consequent to allotment of shares to employees exercising their options under Employee Stock Option Scheme of the Company.

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company*
1.	Gujarat State Petroleum Corporation Limited				
	At the beginning of the year	212305270	37.65	212305270	37.64
	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year	212305270	37.65	212305270	37.64

* The reduction in % of shareholding during the year is due to increase in Paid - up Share Capital of the Company consequent to allotment of shares to employees exercising their options under Employee Stock Option Scheme of the Company.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Gujarat Maritime Board**				
	At the beginning of the year	37088000	6.58	37088000	6.58
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year	37088000	6.58	37088000	6.58
2.	**Life Insurance Corporation Of India**				
	At the beginning of the year	23367370	4.14	23367370	4.14
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year	23367370	4.14	23367370	4.14

3.	**SBI Magnum Midcap Fund**					
	At the beginning of the year		8506442	1.51		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		11.05.2018	746532	0.13	9252974	1.64
		18.05.2018	953468	0.17	10206442	1.81
		25.05.2018	177662	0.03	10384104	1.84
		25.05.2018	(21800)	0.00	10362304	1.84
		01.06.2018	275178	0.05	10637482	1.89
		08.06.2018	103085	0.02	10740567	1.91
		22.06.2018	248010	0.04	10988577	1.95
		22.06.2018	(38151)	0.00	10950426	1.95
		29.06.2018	1090948	0.19	12041374	2.14
		06.07.2018	409052	0.07	12450426	2.21
		13.07.2018	94568	0.02	12544994	2.23
		20.07.2018	1330775	0.24	13875769	2.47
		27.07.2018	16000	0.00	13891769	2.47
		03.08.2018	68682	0.01	13960451	2.48
		10.08.2018	145318	0.03	14105769	2.51
		07.09.2018	549000	0.10	14654769	2.61
		05.10.2018	1851214	0.33	16505983	2.94
		12.10.2018	357786	0.06	16863769	3.00
		19.10.2018	(148809)	(0.03)	16714960	2.97
		26.10.2018	(49603)	(0.01)	16665357	2.96
		16.11.2018	(100000)	(0.02)	16565357	2.94
		04.01.2019	200000	0.04	16765357	2.98
		11.01.2019	1640000	0.29	18405357	3.27
		25.01.2019	57328	0.01	18462685	3.28
		01.02.2019	57672	0.01	18520357	3.29
		15.03.2019	14000	0.00	18534357	3.29
		29.03.2019	(27000)	(0.01)	18507357	3.28
	At the end of the year		18507357	3.28		
4.	**Franklin India Equity Savings Fund**					
	At the beginning of the year		13796796	2.45		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		04.05.2018	422806	0.07	14219602	2.52
		25.05.2018	788165	0.14	15007767	2.66
		01.06.2018	452633	0.08	15460400	2.74
		24.08.2018	(10000)	0.00	15450400	2.74
		07.09.2018	(192000)	(0.03)	15258400	2.71
		21.09.2018	40448	0.00	15298848	2.71
		28.09.2018	32485	0.01	15331333	2.72
		05.10.2018	160586	0.03	15491919	2.75
		12.10.2018	79414	0.01	15571333	2.76
		02.11.2018	20000	0.01	15591333	2.77
		04.01.2019	251065	0.04	15842398	2.81
		11.01.2019	473190	0.08	16315588	2.89
		15.02.2019	500000	0.09	16815588	2.98
	At the end of the year		16815588	2.98		

5.	**Tata Midcap Growth Fund**					
	At the beginning of the year		3810900	0.67		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		08.06.2018	(300000)	(0.05)	3510900	0.62
		15.06.2018	1600000	0.28	5110900	0.90
		22.06.2018	1350000	0.24	6460900	1.15
		29.06.2018	1661000	0.29	8121900	1.44
		06.07.2018	1375000	0.24	949600	1.68
		13.07.2018	3398000	0.61	12894900	2.29
		13.07.2018	(2200000)	(0.39)	10694900	1.90
		20.07.2018	952000	0.17	11646900	2.07
		20.07.2018	(900000)	(0.16)	10746900	1.91
		27.07.2018	147000	0.02	10893900	1.93
		03.08.2018	950000	0.17	11843900	2.10
		07.09.2018	25000	0.00	11868900	2.10
		28.09.2018	985000	0.18	12853900	2.28
		28.09.2018	(49400)	(0.01)	12804500	2.27
		12.10.2018	50000	0.01	12854500	2.28
		02.11.2018	50000	0.01	12904500	2.29
		08.03.2019	(100000)	(0.02)	12804500	2.27
		15.03.2019	(200000)	(0.04)	12604500	2.23
		29.03.2019	(16500)	0.00	12588000	2.23
	At the end of the year		12588000	2.23		
6.	**Platinum Asia Fund**					
	At the beginning of the year		10668460	1.89		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		04.05.2018	281140	0.05	10949600	1.94
		01.06.2018	179568	0.03	11129168	1.97
		08.06.2018	150666	0.03	11279834	2.00
		15.06.2018	16377	0.00	11296211	2.00
		31.08.2018	71090	0.01	11367301	2.01
		07.09.2018	830262	0.15	12197563	2.16
		14.09.2018	143972	0.03	12341535	2.19
		02.11.2018	20773	0.00	12362308	2.19
		09.11.2018	458749	0.08	12821057	2.27
		16.11.2018	534827	0.09	13355884	2.36
		23.11.2018	176133	0.03	13532017	2.39
		07.12.2018	(121821)	(0.02)	13410196	2.37
		14.12.2018	(426374)	(0.08)	12983822	2.29
		21.12.2018	(463921)	(0.08)	12519901	2.21
		28.12.2018	(125158)	(0.02)	12394743	2.19
		04.01.2019	(582757)	(0.10)	11811986	2.09
	At the end of the year		11811986	2.09		

7.	**Gujarat Urja Vikas Nigam Limited**					
	At the beginning of the year		11350000	2.01		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change during the year				
	At the end of the year		11350000	2.01		
8.	**ICICI Prudential Life Insurance Company Limited**					
	At the beginning of the year		12571395	2.23		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		06.04.2018	1122615	0.20	13694010	2.43
		13.04.2018	5032	0.00	13699042	2.43
		20.04.2018	(32071)	(0.01)	13666971	2.42
		27.04.2018	(16741)	0.00	13650230	2.42
		04.05.2018	(22771)	0.00	13627459	2.42
		18.05.2018	(306)	0.00	13627153	2.42
		25.05.2018	(262514)	(0.05)	13364639	2.37
		15.06.2018	(1564933)	(0.28)	11799706	2.09
		29.06.2018	(410268)	(0.07)	11389438	2.02
		03.08.2018	101472	0.02	11490910	2.04
		24.08.2018	2799	0.00	11493709	2.04
		31.08.2018	358918	0.06	11852627	2.10
		21.09.2018	267058	0.05	12119685	2.15
		28.09.2018	390609	0.07	12510294	2.22
		05.10.2018	930615	0.17	13440909	2.39
		19.10.2018	9139	0.00	13450048	2.39
		02.11.2018	(515562)	(0.09)	12934486	2.30
		09.11.2018	(114004)	(0.02)	12820482	2.28
		16.11.2018	(351782)	(0.06)	12468700	2.22
		23.11.2018	(282028)	(0.05)	12186672	2.17
		30.11.2018	(551385)	(0.10)	11635287	2.07
		07.12.2018	(274551)	(0.05)	11360736	2.02
		14.12.2018	(24166)	0.00	11336570	2.02
		21.12.2018	(5414)	0.00	11331156	2.02
		31.12.2018	1720	0.00	11332876	2.02
		04.01.2019	1144	0.00	11334020	2.02
		11.01.2019	298163	0.05	11632183	2.07
		18.01.2019	14430	0.00	11646613	2.07
		25.01.2019	(60877)	(0.01)	11585736	2.06
		01.02.2019	(729730)	(0.13)	10856006	1.99
		08.02.2019	19564	0.00	10875570	1.93
		22.02.2019	16975	0.01	10892545	1.94
		01.03.2019	62613	0.01	10955158	1.95
		08.03.2019	(681)	0.00	10954477	1.95
		15.03.2019	(108168)	(0.02)	10846309	1.93
		22.03.2019	(5738)	0.00	10840571	1.93
		29.03.2019	301283	0.05	11141854	1.98
	At the end of the year		11141854	1.98		

9.	**Aditya Birla Sunlife Trustee Private Limited A/c**					
	At the beginning of the year		12808861	2.27		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		13.04.2018	200000	0.04	13008861	2.31
		04.05.2018	300000	0.05	13308861	2.36
		25.05.2018	500000	0.09	13808861	2.45
		25.05.2018	(1100000)	(0.20)	12708861	2.25
		08.06.2018	400000	0.07	13108861	2.32
		08.06.2018	(400000)	(0.07)	12708861	2.25
		29.06.2018	(1000000)	(0.18)	11708861	2.08
		06.07.2018	(1095329)	(0.19)	10613532	1.88
		13.07.2018	(447300)	(0.08)	10166232	1.80
		20.07.2018	(1205000)	(0.21)	8961232	1.59
		27.07.2018	600000	0.11	9561232	1.70
		27.07.2018	(500000)	(0.09)	9061232	1.61
		03.08.2018	(1000000)	(0.18)	8061232	1.43
		10.08.2018	1000000	0.18	9061232	1.61
		24.08.2018	25000	0.00	9086232	1.61
		24.08.2018	(240089)	(0.04)	8846143	1.57
		31.08.2018	(18000)	0.00	8828143	1.57
		28.09.2018	(163000)	(0.03)	8665143	1.54
		19.10.2018	25000	0.00	8690143	1.54
		02.11.2018	150000	0.03	8840143	1.57
		09.11.2018	50000	0.01	8890143	1.58
		30.11.2018	46000	0.00	8936143	1.58
		07.12.2018	54000	0.01	8990143	1.59
		14.12.2018	249778	0.04	9239921	1.64
		14.12.2018	(60000)	(0.01)	9179921	1.63
		21.12.2018	76222	0.01	9256143	1.64
		28.12.2018	14400	0.00	9270543	1.64
		04.01.2019	144600	0.03	9415143	1.67
		18.01.2019	36000	0.01	9451143	1.68
		25.01.2019	(18000)	0.00	9433143	1.68
		08.02.2019	1543000	0.27	10976143	1.95
		08.02.2019	(1471000)	(0.26)	9505143	1.69
		15.02.2019	45000	0.00	9550143	1.69
		15.02.2019	(300000)	(0.05)	9250143	1.64
		22.02.2019	162000	0.03	9412143	1.67
		01.03.2019	331854	0.06	9743997	1.73
		15.03.2019	81500	0.01	9825497	1.74
		22.03.2019	72000	0.01	9897497	1.75
		29.03.2019	222146	0.04	10119643	1.79
	At the end of the year		10119643	1.79		

10.	DSP Blackrock Regular Savings Fund					
	At the beginning of the year		13791744	2.45		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		06.04.2018	340146	0.06	14131890	2.51
		13.04.2018	400000	0.07	14531890	2.58
		20.04.2018	49441	0.01	14581331	2.59
		27.04.2018	527515	0.09	15108846	2.68
		27.04.2018	(1184)	0.00	15107662	2.68
		04.05.2018	299153	0.05	15406815	2.73
		11.05.2018	(1454)	0.00	15405361	2.73
		18.05.2018	125000	0.02	15530361	2.75
		25.05.2018	(1496)	0.00	15528865	2.75
		22.06.2018	(2151)	0.00	15526714	2.75
		29.06.2018	74857	0.02	15601571	2.77
		20.07.2018	84597	0.01	15686168	2.78
		20.07.2018	(1954)	0.00	15684214	2.78
		27.07.2018	954723	0.17	16638937	2.95
		27.07.2018	(2961)	0.00	16635976	2.95
		10.08.2018	(201326)	(0.04)	16434650	2.91
		17.08.2018	(68477)	(0.01)	16366173	2.90
		21.09.2018	9000	0.00	16375173	2.90
		28.09.2018	20000	0.01	16395173	2.91
		28.09.2018	(1873)	0.00	16393300	2.91
		05.10.2018	(2218741)	(0.40)	14174559	2.51
		12.10.2018	(1181899)	(0.21)	12992660	2.30
		19.10.2018	(151918)	(0.02)	12840742	2.28
		26.10.2018	321686	0.05	13162428	2.33
		11.01.2019	743065	0.14	13905493	2.47
		18.01.2019	599118	0.10	14504611	2.57
		22.02.2019	(113927)	(0.02)	14390684	2.55
		01.03.2019	(247035)	(0.04)	14143649	2.51
		08.03.2019	(2129744)	(0.38)	12013905	2.13
		22.03.2019	(1829901)	(0.32)	10184004	1.81
		29.03.2019	(2095140)	(0.38)	8088864	1.43
	At the end of the year		8088864	1.43		

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Dr. J N Singh, IAS , Managing Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
2.	**Shri Arvind Agarwal, IAS, Non- Executive Director (w.e.f. 14th June, 2018)**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	**Smt. Shridevi Shukla, Additional (Independent) Director (w.e.f. 27th March, 2019)**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
4.	**Dr. R Vaidyanathan, Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
5.	**Prof. Yogesh Singh, Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
6.	**Dr. Bakul Dholakia, Independent Director**				
	At the beginning of the year	3500	0.00	3500	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No Change during the year			
	At the end of the year	3500	0.00	3500	0.00
7.	**Dr. Sudhir Kumar Jain, Independent Director**				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	0.00	0.00	0.00	0.00
8.	**Shri Bhadresh Mehta, Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
9.	**Shri Bimal N Patel, Independent Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	**Dr. T Natarajan, IAS, Joint Managing Director**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00
11.	**Shri M M Srivastava, IAS (Retd.), Non Executive Chairman**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.						
12.	**Mr. Ajith Kumar T R, Chief Financial Officer (w.e.f. 8th February, 2019)**					
	At the beginning of the year		0	0		
	Date wise increase / decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	**Date**	**No. of shares (sold) / purchased**	**%**	**Cumulative No. of shares after the sale / purchase**	**%**
		16.11.2018	4000	0	4000	0
	At the end of the year		4000	0		

Sl. No.	For each of the Directors and KMP	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
13.	**Ms. Reena Desai, Company Secretary**				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	N.A.			
	At the end of the year	Nil	0.00	Nil	0.00

INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment **(₹ in Crores)**

Particulars	Secured Loans excluding Deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year				
i) Principal amount	249.14	2800.00	-	3049.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.98	5.69	-	8.68
Total (i+ii+iii)	**252.12**	**2805.69**	**-**	**3057.82**
Change in Indebtedness during the financial year				
Addition	49.00	250.00	-	299.00
Reduction	55.91	933.33	-	989.24
Net change	**(6.91)**	**(683.33)**	**-**	**(690.24)**
Indebtedness at the end of the financial year				
i) Principal amount	242.23	2116.67	-	2358.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.62	4.45	-	7.08
Total (i+ii+iii)	**244.85**	**2121.12**	**-**	**2365.98**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA
2.	Stock option	NA	NA
3.	Sweat equity	NA	NA
4.	Commission - as % of profit - others, specify	NA	NA
5.	Others, please specify	NA	NA
	Total (A)	NA	NA
	Ceiling as per the Act	The remuneration payable to one Managing Director or Whole Time Director or Manager shall not exceed 5% of the Net Profits of the Company and if there is more than one such Director remuneration shall not exceed 10% of the Net Profits to all such Director and Manager taken together.	

(1) The Company does not pay any sitting fess to the Managing Director/Joint Managing Director of the Company. Further, no remuneration was paid to Dr. J N Singh, IAS and Dr. T Natarajan, IAS during the year.

Pursuant to Ministry of Corporate Affairs Notification dated 5th June, 2015; Government Companies are exempted from applicability of the provisions of Section 197 of the Companies Act, 2013.

N.A.: Not Applicable

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Name of the Director	Particulars of Remuneration			Total Amount (₹)
		Fees for attending board / committee meetings (₹)	Commission (₹)	Others, please specify (₹)	
1.	**Independent Directors**				
i	Dr. R Vaidyanathan	97,500	-	-	97,500
ii	Prof. Yogesh Singh	22,500	-	-	22,500
iii	Dr. Bakul Dholakia	37,500	-	-	37,500
iv	Dr. Sudhir Kumar Jain	52,500	-	-	52,500
v	Shri Bhadresh Mehta	67,500	-	-	67,500
vi	Shri Bimal N Patel	22,500	-	-	22,500
	Total (1)	**3,00,000**	**-**	**-**	**3,00,000**
2	**Other Non-Executive Directors**				
vii	Shri M M Srivastava, IAS (Retd.)	90,000	-	16,83,000 (Remuneration)	17,73,000
viii	Shri Sujit Gulati, IAS (upto 16th July, 2018)	22,500	-	-	22,500
ix	Shri Raj Gopal, IAS (w.e.f. 8th August, 2018 to 1st February, 2019)	7,500	-	-	7,500
x	Shri Arvind Agarwal, IAS (w.e.f. 14th June, 2018)	30,000	-	-	30,000
xi	Smt. Shridevi Shukla (upto 18th March, 2019)	37,500	-	-	37,500
	Total (2)	**1,87,500**	**-**	**16,83,000**	**18,70,500**
	Total (1) + (2)				**21,70,500**
3	**Overall Ceiling as per the Act (%)**	The remuneration payable to Directors other than Executive Directors shall not exceed 1% of the Net Profit of the Company. The remuneration paid to the Directors is well within the said limit.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Manish Seth (upto 8th August, 2018)	Mr. Ajith Kumar T R (w.e.f. 8th February, 2019)	Company Secretary (Ms. Reena Desai)	Total Amount
1.	Gross salary (in Rs.) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 4008332 179691 Nil	 301552 58128 Nil	 2491236 28800 Nil	 6801120 266619 Nil
2.	Stock option	-	(Refer Note 1)	Nil	Nil
3.	Sweat equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	**4188023**	**359680**	**2520036**	**7067739**

Note 1: Perquisites value towards Stock Option is included in 1(b) above and is calculated as difference between exercise price and market price on the date of exercise. The same is not paid by the Company. This amounts to ₹ 3,67,320.

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	**COMPANY**				
Penalty	Nil				
Punishment					
Compounding					
B.	**DIRECTORS**				
Penalty	Nil				
Punishment					
Compounding					
C.	**OTHER OFFICERS IN DEFAULT**				
Penalty	Nil				
Punishment					
Compounding					

Annexure - VIII

BUSINESS RESPONSIBILITY REPORT 2018 - 19

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L40200GJ1998SGC035188
2. **Name of the company:** Gujarat State Petronet Limited
3. **Registered Address:** GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar-382 010, Gujarat, INDIA.
4. **Website:** www.gspcgroup.com
5. **E-mail ID:** investors.gspl@gspc.in
6. **Financial year reported:** FY 2018-19
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

   Natural Gas Transmission [493-Transport via pipeline], Generation of Electricity through Wind mill [351- Electric power generation, transmission and distribution] and City Gas Distribution [352 - distribution of gaseous fuels through mains].
8. **List three key products/services that the Company manufactures/provides:**

   Transmission of Natural Gas

   Generation and Sale of Electricity through wind power mills

   City Gas Distribution Business
9. **Number of locations where business activities are undertaken by the Company:**
   1) Total number of International locations : Nil
   2) Total number of National locations: : i) The Natural Gas Pipeline Network of the Company is spread across various locations in the State of Gujarat in India. ii) 3 CNG Stations have been made operational in relation to City Gas Distribution Network Project awarded by PNGRB in Amritsar and the City Gas Distribution Network for Bhatinda is in the development Stage. iii) The wind power mills are operated by the Company at Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar.

   The offices and major operation sites are as under:
   1. **Registered office:** Gandhinagar
   2. **Corporate Office:** Gandhinagar
   3. **Office:** Delhi
   4. **Base Locations/SV Stations:** Surat, Vadodara, Bharuch, Rajkot and Bibipura
10. **Markets served by the Company Local/State/National/International**

    Local and State.

    The company transports gas to various Customers including Refineries, Steel Plants, Fertilizer Plants, Petrochemical Plants, Power Plants, Glass industries, Textiles, Chemical, City Gas Distribution (CGD) Companies and other miscellaneous industries.

Section B: Financial Details of the Company

1.	Paid Up Capital (INR)	: ₹ 563.97 Crores
2.	Total Turnover (INR)	: ₹ 1936.62 Crores
3.	Total Profit after Taxes (INR)	: ₹ 794.67 Crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	: 1.49 % i.e. ₹ 11.77 Crores

5. List of activities in which the expenditure in 4 above has been incurred.

   a. Promoting health care/eradication of hunger, poverty and malnutrition and ensuring Environment sustainability, Conservation of Natural Resources : 11.53 Crores

   b. Support to Armed Forces Veterans, War Widows and their Dependents: 0.15 Crores

   c. Animal Welfare: 0.08 Crores

Section C: Other Details

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

   Yes. Company has 3 subsidiaries, GSPL India Gasnet Limited, GSPL India Transco Limited and Gujarat Gas Limited.
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)?**

   Gujarat Gas Limited is a Listed Public Limited Company and it does observe the Principles of BRR. GSPL and GGL are exploring options/ opportunities, wherein, companies can work together on common BRR initiatives. During the year, GIGL and GITL have participated in the BR initiatives of GSPL to the extent possible such as adopting policies/codes in relation to Ethics, Bribery & Corruption, HSE, Human Resources and have also participated in various activities such as tree plantations, safety awareness programs etc.
3. **Do any other entity / entities (e.g Supplier, Distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%.)**

   Less than 30%. We encourage our suppliers and vendors to participate in the BR initiatives undertaken by the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies		
Name	**DIN Number**	**Designation**
Shri M M Srivastava, IAS (Retd.)	02190050	Chairman
Prof. Yogesh Singh	06600055	Member
Dr. T Natarajan, IAS	00396367	Member

b) Details of the Business Responsibility Head	
DIN Number (if applicable)	00396367
Name	Dr. T Natarajan, IAS
Designation	Joint Managing Director
Telephone number	079-66701203
e-mail id	investors.gspl@gspc.in

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for…	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Code of Conduct for Directors and Senior Management, Vigil Mechanism, Procurement policy P2: QHSE Policy, Responsible Business Policy P3: Internal HR Policies; Responsible Business Policy P4: CSR Policy P5: Responsible Business Policy P6: QHSE Policy, CSR Policy P7: Responsible Business Policy P8: CSR Policy P9: Responsible Business Policy								
2,	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies have been formulated in consultation with the Management of the Company and are approved by the Board								
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are in – line with the applicable national and international standards and compliant with the principles of the National Voluntary Guidelines (NVG).								
4.	Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by the MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	The CSR Committee is responsible to oversee the implementation of the BR policies and performance.								
6.	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Code of Conduct for Senior Management Directors: http://gspcgroup.com/GSPL/code-of-conduct Vigil Mechanism: http://gspcgroup.com/documents/pagecontent/Vigil_Mechanism_Policy.pdf QHSE: http://gspcgroup.com/documents/pagecontent/gspl-qhse-policy.pdf CSR: http://gspcgroup.com/documents/pagecontent/GSPL_46.pdf Responsible Business Policy: http://gspcgroup.com/documents/pagecontent/Responsible-Business-Policy.pdfProcurement Policy :Internal Policy of the company-is made available on request HR Policy: It is internal to the Company								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement its policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):

NA

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)									

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 CSR committee would meet atleast on an annual basis to review, monitor and update the BR performance to the Board.

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 Business Responsibility report of the Company is being published as a part of the Annual Report of the Company. The same can be viewed from below link:

http://gspcgroup.com/GSPL/annual-reports

Section E: Principle Wise Performance

Principle 1: Businesses 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?

GSPL has developed a Code of Conduct in line with the guiding principles of our Group for Directors and Senior Management. The aforesaid Codes provide guidance to pursue highest standards of ethical conduct and foster a culture of honesty and accountability and further avoiding conflicts of interest and advancing and protecting the Company's interest independent of outside influences. These polices/codes conveys guidelines to our valued employees, business associates and other stakeholders on behavior, discipline and approach to be followed for being aligned with Company's culture.

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.**

   At GSPL, we have laid down a structured process for reporting on any complaints related to violation of Code of Conduct of the Company. Through our Whistle Blower Mechanism, all the complaints are addressed to the Chairman of ethics compliance committee for investigation. In case of dissatisfaction related to resolution process, these complaints can be escalated directly to the Chairman of the Audit Committee.

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

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

   GSPL is into the business of laying of the gas transmission pipeline and is pioneer in developing natural gas transportation infrastructure in Gujarat thereby connecting natural gas supply sources including LNG terminals to growing markets. The Company currently has customers in Industrial, Domestic and Commercial segments.

2. **For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

(i) **Reduction of sourcing/production/distribution achieved since the previous year throughout the value chain?**

   GSPL has developed a state of art gas transmission network and performs regular checks to get updated status on loss of gas and other physical damages to transmission lines. The company has installed smart energy monitoring devices at all its gas terminals thereby enabling monitoring of electricity consumption remotely. Operating behaviors of these equipments will be analyzed over a period of time and suitable replacements would be adopted to ensure energy savings.

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

   GSPL provides Natural gas to its customers which is often called as the cleanest fossil fuel as it results in lesser Green House Gas emissions (GHG) compared to other fuels. GSPL's pipeline infrastructure facilitates transmission of natural gas through pipeline thereby minimizing impact on the air pollutions as compared to transmission of natural gas through vehicular mode.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

   GSPL has incorporated HSE guidelines for all its contractors and suppliers intending to engage with responsible business associates. The Company follows an online vendor registration process to provide open access to all aspirant vendors. The Company has developed a detailed SOP for vendor selection which sets stringent process and procedures to be followed before onboarding the supplier/vendor.

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?

   The procurement activities of the Company are being carried out in accordance with the Procurement Policy of the Company. Further the Company, has also developed SOPs for procurement process including process for evaluation of vendors/bidders and the bids. The vendor selection is based on the compliance of the bidder with the applicable technical and commercial criteria laid down by GSPL. Any bidder meeting specified qualification criteria of particular tender is eligible for participation in the tendering process. The procurement is generally based on tendering process wherein participation is open for all the bidders as per the tender requirements and awarding a project to vendor is solely based on its merits.

5. **Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

   In line with the Company's HSE policy, we are committed to resource conservation, waste management for continual improvement in QHSE performance. The nature of our business is such that we do not generate any significant quantity of waste which is required to be recycled. GSPL however proactively ensures proper disposal of waste whenever necessary.

Principle 3: Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees (including contractual employees)** - 243
2. **Please indicate the total number of employees hired on temporary/ contractual/casual basis during the year** - 30
3. **Please indicate the number of permanent women employees** - 21
4. **Please indicate the number of permanent employees with disability** - 0
5. **Do you have an employee association that is recognized by management?** No
6. **What percentage of your permanent employees are a member of this recognized employee association? Not applicable**
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.** NIL
8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Trainings	Permanent employees attended the training	Permanent Women employees attended the training	Casual/ Temporary/ Contractual employees attended the training	Permanent employees with disabilities attended the training
Safety	75%	5%	28%	Nil
Skill upgradation	39%	5%	0%	

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

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

   Yes, GSPL has identified all its key internal and external stakeholders which comprises of;

   a) Directors
   b) Senior Management
   c) Employees
   d) Shareholders
   e) Investors/Financers
   f) Customers
   g) Government Authorities/Regulators
   h) Vendors/Supplier/Contractors
   i) Communities

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company has mapped its disadvantaged, vulnerable and marginalized stakeholders, and is actively working with them for their betterment.

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

   Yes, GSPL is committed and engaged in various social initiatives through its intervention in the areas of education, eradication of hunger & poverty, providing preventive health care etc.

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?**

   Yes, the Company has developed a Responsible Business Policy which is applicable to all relevant internal and external stakeholders.

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

   The Company has set up mechanisms to report on stakeholder complaints related to Human Rights violations. The complaints are resolved on timely basis and feedback is provided to the stakeholder.

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.**

   Yes. GSPL has a policy on "Quality, Health, Safety & Environment" (QHSE) and "Responsible Business Policy" which is applicable to all its employees, suppliers, contractors and vendors.

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.

   GSPL encourages environment protection in its activities and operations. The transport of natural gas through underground pipelines helps us reduce the consumption of fossil fuel which ultimately reduces the emission of GHG in atmosphere. The Company has also contributed towards sustainable energy generation from renewable energy project by installation of 52.5 MW wind power plant.

   For more details on our certifications and commitments please visit http://gspcgroup.com/GSPL/qhse-policy

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

   Yes GSPL has a detailed risk assessment framework in place covering various parameters. Our risks can be categorized in;

   • Fire and explosion as Natural Gas is highly flammable

   • Natural Gas Leakage

   • Other risks such as physical, chemical, biological, psychological and ergonomical

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?**

   Yes. GSPL has implemented the 52.5 MW wind power project under which 35 wind mills are operated by the Company at Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar. The said Project of the Company is registered by UNFCCC as CDM Project in the Financial year 2012-13. All the required environmental/regulatory clearances have been obtained for the project.

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.**

   Yes, GSPL is aware of its environmental footprint and is taking proactive steps to mitigate impact of its operations. In this regard, The Company has taken various initiatives for conservation of energy, same are mentioned below;

   a. As a continuous effort towards environment protection, the Company has initiated a drive to start paperless communication with all shippers. In lieu of the same, the Company has initiated web based communication for daily gas business with its customers and suppliers.

   b. Solar based lighting system is installed in tap off of GSPL pipeline.

   c. Implemented water harvesting at few terminals of Gas grid and going forward the company has planned to implement such systems at other stations/terminals.

   d. Installed smart energy monitoring devices at all its gas terminals and has enabled monitoring of electricity consumption remotely.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?**

   Yes, GSPL's emissions/waste generated during the reporting period were within the permissible limits.

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.**

   GSPL has not received any show cause /legal notices from CPCB/SPCB in the reporting period.

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:**

   No. GSPL is not the member of any business chambers association or industrial associations. Though as and when opportunity arises, our senior management engages in various discussion with these associations and chambers through its programmes/conferences etc.

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)**

   GSPL and its Sr. Management actively participates and present its view in public consultation process carried out by the industry associations/regulatory authorities in relation to making of policies/regulations or any amendments thereto of which certain suggestions were in relation to achieving positive impact on environment, the public at large etc. Further as the gas transmission business of the Company is regulated by Petroleum and Natural Gas Regulatory Board (PNGRB), GSPL regularly meets the PNGRB/MOPNG etc and conveys its view point on various industry related issues.

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.**

   GSPL has developed its CSR policy demonstrating its efforts towards social and economic development. GSPL's community development initiatives focuses on parameters mentioned below;

   a) Eradicating Hunger, Poverty and Malnutrition from society.
   b) Health care and Sanitation.
   c) Education for Children, Women, Elderly and Differently Abled.
   d) Promoting gender equality, Women empowerment.
   e) Environmental Sustainability and Conservation of Natural Resources.
   f) Protection of National Heritage.
   g) Rural development.
   h) Slum Area Development.
   i) Animal Welfare.
   j) Support to armed forces veterans, war widows and their dependants;

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

   GSPL undertakes CSR programmes/projects directly, through its internal CSR committee or through any other trust or agencies and entities as it deems suitable.

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

   Yes, GSPL performs a need assessment study with help of its cross functional team at the local level to identify a suitable project for the location which is followed by interactions with local representatives and Civic bodies.

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

   During the Financial Year, GSPL has contributed approx Rs. 10.31 Crores towards Promoting Healthcare, Eradication of Malnutrition, Poverty & Promoting Education. The Company has also made contribution of approx ₹ 1.46 Crores in the areas of Animal Welfare, ensuring Environment Sustainability and Conservation of Natural Resources and support to armed forces veterans, war widows and their dependants. The total contribution made by the Company in various community development projects is approx ₹ 11.77 Crores.

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 CSR committee has incorporated a monitoring mechanism for all its initiatives. This mechanism keeps a track on all projects and its progress.

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.**

   No pending customer complaints recorded related to Operations at the end of FY 2018-19. GSPL has a Standard Operating Procedure (SOP) on handling customer complaints. Customers evaluate performance of GSPL on various parameters on annual basis. Customer can also give any suggestion / recommendation / complaints related to any matters within or outside the survey parameters. Customer views are reviewed internally and further action is implemented.

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)**

   GSPL deals primarily with Natural gas transportation through pipelines, hence product information & labelling is not applicable to our service portfolio. However, we abide to all laws applicable to product handling and distribution as stipulated by Petroleum & Natural Gas Regulatory Board (PNGRB).

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

   No.

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

   Yes, GSPL cares for its customers and always takes feedback from them to improve its services and systems. The Company provides its customers with feedback form to assess customer satisfaction on technical and operational aspects.

   The Company also has a SOP related to customer satisfaction. An annual customer feedback assessment is conducted to understand the level of satisfaction of our customers. The assessment is performed on the parameters covered in this SOP such as Quality, Services, Technical and Operational aspects. The assessment is used for implementation of corrective or improvement actions.

ANNEXURE - IX
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

Conservation of Energy

i. The Company has taken following initiatives for Conservation of Energy, utilizing source of energy:

a. As a continuous effort for environment protection, Company had initiated a drive to start paperless communication with all shippers, in lieu of the same, the Company has initiated web based communication for daily gas business with all its customers and suppliers.

A software has connected all GSPL Suppliers and customer to Master Control Room for carrying out daily gas business communication on web portal, it has also enabled customers to send their gas nominations to GSPL and receive daily gas allocations through this software.

Due to this application, GSPL has moved to total paperless and error free communication with all its shippers.

b. All critical documentation is digitized.

c. Solar based lighting system is installed in tap off's of GSPL pipeline.

d. Implemented water harvesting at few terminals of Gas grid.

In addition to this GSPL has installed and commissioned total 35 Nos of Wind Mills with total capacity of 52.5 MW at Adodar & Gorsar, Porbandar and Maliya Miyana, Rajkot in the year 2011. GSPL has invested approx Rs. 320 Crore for installation of Wind Mill.

Technology Absorption

i) GSPL has sought approval for implementation of Pipeline Intrusion Detection System for approx 123 Kms of Pipeline section for advance monitoring of any kind of third party activity and leakage detection of buried pipelines in RoU/RoW.

ii) GSPL has upgraded SCADA and Telecom System for new spur lines and adopted latest technology of VOIP and TCP/IPV4 based Telecommunication and SCADA System. (This is implemented on six nos. of new Spur Gas Pipeline projects and for MBPL project it is under progress).

iii) GSPL has implemented SCADA and Telecommunication system and with timely upgradations major benefits derived are:

Product improvement:

- Equipments upgraded to latest feasible technology at all upcoming new terminals enabling any future addition of voice and data to be "plug and play" type with more security.
- Number of SCADA and Telecom components has reduced in comparison to traditional established system, which in turn reduced costs of project substantially.

The above has led not only to cost reduction but also safety and reliability of the network is improved significantly.

High speed communication:

- GSPL has also upgraded bandwidth of Optical fiber based Telecommunication WAN from 20 Mbps to 100 Mbps, this has improved data exchange speed and additional data load handling capacity of Master Control Room located at Gandhinagar and Standby Control Room located at Surat.
- In order to improve availability of customer data at Master Control Room (M.C.R) Company is implementing Backup Communication Link between Master Control Room and various strategic locations distributed across gas grid. It will help MCR to fetch remote data of pipeline even if Optical Fiber break occurs.
- GSPL is also in process of implementation of I.P camera based security and surveillance system at major terminals of gird with centralized monitoring from MCR.

With this system company will be able to get live visuals of all critical gas terminals on real-time basis. This will improve safety and security system of GSPL terminals spread across pipeline.

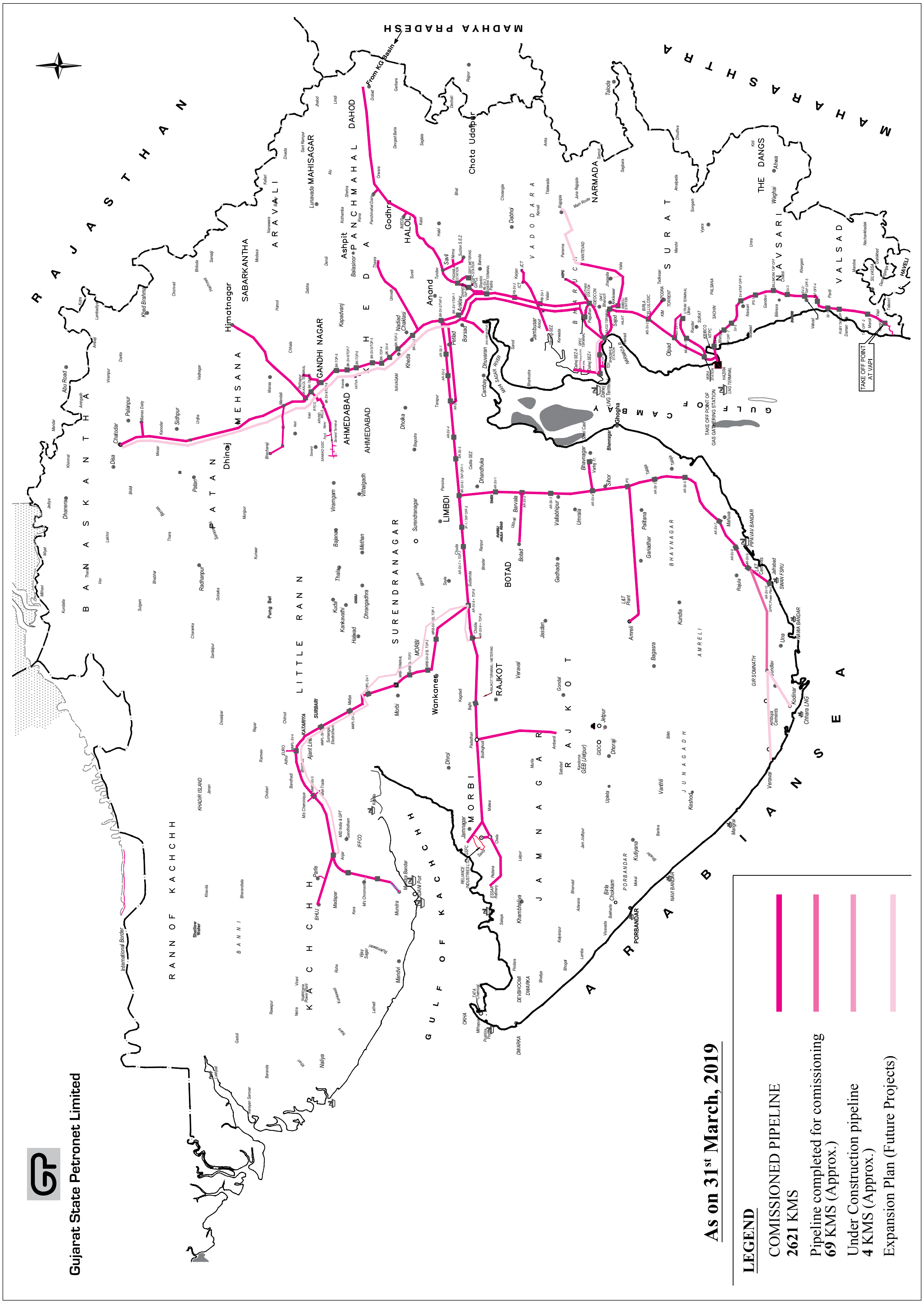
iv) The Company has not imported any technology. However, the Company has engaged consultants/ of international repute to make available latest technology for project implementation and Operations & Maintenance.

The expenditure incurred on Research and Development – NIL

Foreign Exchange Earnings & Outgo

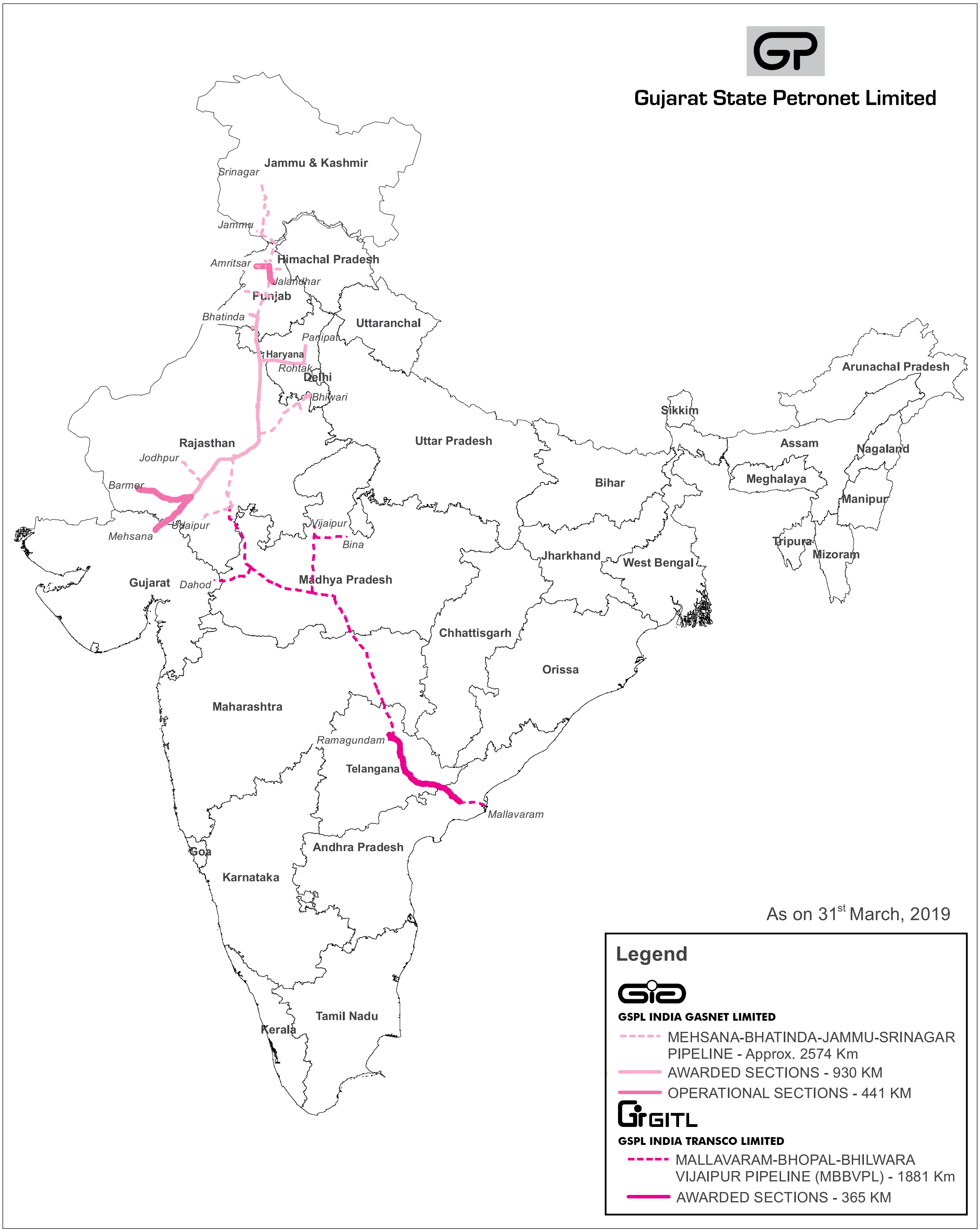
The Company has incurred Expenditure in Foreign Exchange to the extent of ₹ 422.09 Lacs during the year under review. Foreign Exchange Earnings during the year were ₹ 0.13 Lacs.

Annexure - X
GSPL Gas Grid Map



Annexure - XI

Cross Country Natural Gas Transmission Pipelines to be implemented by GIGL / GITL



GSPL DIVIDEND DISTRIBUTION POLICY

I. PREFACE:

The Board of Directors of Gujarat State Petronet Limited ("the Company") has adopted the GSPL Dividend Distribution Policy ("the Policy") on Dividend Distribution pursuant to the requirement of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

II. OBJECTIVE OF THE POLICY:

The Policy reflects the intent of the Company to reward its Shareholders by sharing portion of its profit after retaining sufficient funds for growth of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the Policy while declaring/ recommending Dividends on behalf of the Company. Through this Policy, the Company would endeavor to maintain a consistent approach to Dividend pay-out plans.

The declaration of Dividend on the basis of the parameters in addition to the one enumerated below or resulting to amendment of any parameter or the Policy will be regarded as deviation. Any such deviation in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

III. PARAMETERS FOR DECLARATION OF DIVIDEND:

- **The circumstances under which the Shareholders of the listed entities may or may not expect Dividend:**

  The decision regarding Dividend payout is a crucial decision as it determines the amount of profit to be distributed among Shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding Shareholders through Dividends and retaining profits in order to fund the growth plans of business.

  Final Dividend is declared at the Annual General Meeting (AGM) of the Shareholders on the basis of recommendations of the Board.

  The Company has been consistently paying out Dividends to its Shareholders and can be reasonably expected to continue declaring in future as well unless the Company is restrained to declare Dividends under following circumstances:

  - In cases where the Company undertakes or proposes to undertake a significant expansion of the business requiring higher allocation capital.
  - If during any financial year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare Dividend for that financial year.

- **The financial parameters that shall be considered while declaring Dividend:**

  The Company stands committed to deliver sustainable value to all its Stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the Shareholders, in the form of Dividend.

  Subject to the applicable provisions of the Companies Act and other statutory requirements, the Dividend will be declared or paid only out of:

  (i) Current Financial Year's Profit:

  (a) After providing for depreciation in accordance with law

  (b) After transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.

  (ii) The profits of any previous Financial Year(s):

  (a) After providing for depreciation in accordance with law

  (b) Remaining undistributed or

  (iii) Out of (i) & (ii) both.

  For the purpose of computing the Profits After Tax (PAT) for purposes of determining the Dividend, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) one off charges on account of change in law or rules or accounting policies or accounting standards (iv) provisions or write offs on account of impairment in investments (long term or short term) (v) non- cash charges pertaining to amortisation or ESoP or resulting from change in accounting policies or accounting standards.

- **Internal and External factors that shall be considered for declaration of Dividend:**

  External Factors:

  - Taxation and other regulatory concern: i) Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of Dividend. ii) Any restrictions on payment of

Dividends by virtue of any statutory provisions or regulations as may be applicable to the Company at the time of declaration of Dividend.

- Economic conditions, Industry Outlook and Regulatory commitment
- Cost of borrowing as well as the return on the investments by the company
- Any other factor as the Board deemed fit to take in to consideration.

Internal Factors:

- Future expansion plans: The Company's growth oriented decision to conserve cash in the Company for its expansion plans including plan for diversification of business, merger, acquisition etc.
- Capital expenditure requirements
- Likely fund requirements of Subsidiaries/associate companies.
- Outstanding debts and its repayment terms: The Company should be able to repay its debt obligations without much difficulty over a period of time. The volume of such obligations and time period of repayment shall be considered while taking decision on declaration of Dividend.
- Contingent Liabilities
- Cash Flow position: If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes such funding arrangements might have to be made to run the day-to-day operations. The Board will consider the cash flow position and such eventualities before its decision whether to declare Dividend or retain its profits.
- Profit after Tax
- Past Dividend trends/reputation of the Company: The trend of the performance/reputation of the Company that has been during the past years determines the expectations of the Shareholders.
- Any other factor as the Board deemed fit to take in to consideration.

▪ **Policy as to how the retained earnings shall be utilized:**

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Strategic and long term business plans
- Diversification of business
- financial ratios required to be maintained for availment of the fund/non fund based facilities by the company and its subsidiaries
- Any other criteria as the Board may consider appropriate

▪ **Parameters that shall be adopted with regard to various classes of shares:**

Presently, Authorized Capital of the Company comprises of only Equity Shares.

If required, the policy may be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

IV. INTERIM DIVIDEND:

The Board may, at its discretion declare an Interim Dividend and such declaration of the Interim Dividend, if any, shall be in compliance with the applicable provisions of the Companies Act, 2013 and other statutory requirements.

V. AMENDMENT TO THE POLICY:

This Policy is framed based on the provisions of the Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In case of any subsequent changes in the provisions of the Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Regulations which makes any of the provisions in the Policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with the Regulations.

The Policy shall be reviewed and amended by the Board from time to time as and when any changes are to be incorporated in the Policy as may be felt appropriate by the Board.

VI. DISSEMINATION OF POLICY:

The Company shall make appropriate disclosures in compliance with the Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF GUJARAT STATE PETRONET LIMITED FOR THE YEAR ENDED 31 MARCH, 2019

The preparation of standalone financial statements of Gujarat State Petronet 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 are 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 9 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the standalone financial statements of Gujarat State Petronet Limited for the year ended 31st 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.

Based on my supplementary audit, i would like to highlight the following significant matters under Section 143 (6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

C&AG Comment & Management response on the same is placed below.

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

(H. K. Dharmadarshi)
Principal Accountant General (E&RSA), Gujarat

Place: Ahmedabad
Date: 22nd July, 2019

C&AG's Comments on disclosure/presentation Standalone Ind AS Financial Statement Notes to Standalone Financial Statement	**Explanation by the management to C&AG comments on Annual Standalone Accounts of 2018-19**
A reference is invited to the Note No. 48 of the standalone financial statement regarding tariff fixation by PNGRB. The Company was having 48 customers on which the revised tariff was applicable from 1 April 2018 retrospectively. Out of these 48 customers one customer i.e. Torrent Power Limited objected to the said retrospective billing and obtained a stay order for implementation of the PNGRB order on 10 December 2018 from the Hon'ble Gujarat High Court. Therefore, the Company was billing invoices to Torrent Power Limited at old rates i.e. ₹ 24.15 per MMBTU leading to short billing of ₹ 40.85 crores for the period 1 April 2018 to 31 March 2019. Ind AS 115 also requires the entity to disclose sufficient information regarding uncertainty of revenue. Thus, the disclosure given by the Company in Note No.48 is deficient to the above extent.	PNGRB vide its order dated 27th September 2018 has issued tariff order for final initial unit and vide its order dated 10th December, 2018 has issued finalized zonal tariff for GSPL Gas Grid. The said order is effective from 1st April, 2018 and accordingly Company had raised supplementary invoices for the period from 1 April 2018 to 30 November 2018. Since the order was retrospectively applicable, one of the customers Torrent Power Limited approached Honourable High Court of Gujarat against retrospective applicability of order. The High Court had granted interim relief to the customer Torrent Power Limited and accordingly Company was not able to raise supplementary invoice. Further since the matter was subjudice as on 31st March, 2019, Company continued invoicing to customer at old tariff rate. The above issue was sub-judice as on date of finalization of accounts. Further the point of contention was pertaining to retrospective application of order. Management believes that the High Court stay order shall not have any impact of future revenue generation. Accordingly, the Company believes disclosure in Note No. 48 is sufficient and in line with requirement of Ind AS 115. Thereafter, the High Court vide its order dated 17th June, 2019 has directed Torrent Power to pay charges in accordance with the final tariff order from the date of High Court Order. Further the retrospective application of the tariff orders will be decided by the Court.

Place: Gandhinagar
Date: 2nd August, 2019

Chairman

INDEPENDENT AUDITOR'S REPORT

To,
The Members
Gujarat State Petronet Limited

Report on the Audit of Standalone Ind AS Financial Statement

Opinion

We have audited the accompanying standalone IND AS financial statements of GUJARAT STATE PETRONET LIMITED ('The Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31st March, 2019. 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.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of the Ind AS Financial Statements

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 it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
   e) As the Company is a Government Company in terms of notification number: G.S.R. 463(E) dated 05th June, 2015, issued by Ministry of Corporate Affairs the sub section (2) of section 164 of the Act is not applicable.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note-31 to the financial statements.
      ii) The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by section 143(5) of the Act, we give in "Annexure B", a statement on matters specified by the Comptroller and Auditor- General of India for the Company.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure C, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

Place: Ahmedabad
Date : 9th May, 2019

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **GUJARAT STATE PETRONET LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

Place: Ahmedabad
Date : 9th May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Directions/ Sub-directions issued by Comptroller and Auditor General of India

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

General Directions under section 143 (5) of Companies Act, 2013

Sr. No.	Directions issued by Comptroller and Auditor General of India	Response
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company is using SAP for accounting of all transactions through IT system only.
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.	On the basis of our audit and as per information and explanations given to us, there is no such case during the financial year 2018-19, therefore no any impact on the financial statements. The Company is repaying its loan in timely.
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	It is conveyed to us that no funds have been received or receivable from central/ state agencies hence not applicable.

Sector Specific Sub-directions under section 143 (5) of Companies Act, 2013

Sr. No.	Sub-directions issued by Comptroller and Auditor General of India	Response
1.	Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation not put to use or declared surplus? Details may be provided.	As per information and explanation given to us, the Company has taken adequate measures to prevent encroachment and there is no encroachment to the land owned by the company.
2	Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines/ policies of the Government? Comment on deviation if any?	In our opinion and according to the information and explanations given to us, the Company does not have any project to be taken up under Public Private Partnership.
3	Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenue / losses from contracts, etc., have been properly accounted for in the books.	Based on our audit procedures and according to the information and explanations given to us, System for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenue/ losses from contracts, etc., have been properly accounted for in the books of accounts.
4	Whether funds received / receivable for specific schemes from central/ state agencies were properly accounted for/ utilized? List the cases of deviations.	It is conveyed to us that no funds have been received or receivable from central/ state agencies hence not applicable.
5	Whether the Bank guarantees have been revalidated in time.	Yes, The Bank guarantees have been revalidated in a timely manner.
6	Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	Yes balance confirmation has been received in respect of term deposits, bank accounts & Cash. A separate disclosure has been given for trade receivables & trade payables. Please refer to Note no- 37 to notes to account.
7	The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.	As informed to us, the Company has not abandoned any project during the financial year 2018-19.

Trading under Service Sector

Sr. No.	Trading under service sector	Response (During the current year, the company has started retail selling of CNG for Amritsar-GA, hence response is given in this context)
1	Whether the company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?	As per the information and explanations given to us and based on the examination of the policies in respect of recovery of dues from customers, the Company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. In our opinion and according to the information and explanation given to us, the recoveries against the dues have been properly recorded in the books of accounts
2	Whether the company has an effective system for physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage / excess noticed during physical verification	In our opinion and according to the information and explanations given to us, the procedures and systems, in relation to physical verification of inventories, valuation of stock, treatment of non-moving items and accounting the effect of shortage / excess noticed during physical verification, are reasonable and adequate in relation to the size of the Company and the nature of its business.
3	The effectiveness of the system followed in recovery of dues in respect of sale activities may be examined and reported.	In our opinion and according to the information and explanations given to us, the Company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. There are no significant instances of its failure observed for the year under audit.

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

Place: Ahmedabad
Date : 9th May, 2019

Annexure C to the Independent Auditor's Report to the Shareholders

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

   (c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.

2. As informed to us physical verification of inventory has been conducted at reasonable intervals by the management. We have been explained that the stock of Gas at the year end of the year has been taken with reference to reading of Turbine flow meter/ Gas Chromatograph/ Gas measurement system installed at Terminals.

   As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.

3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3 (a), (b) and (c) of the said order not applicable to the Company.

4. The Company has granted Corporate Guarantee of ₹ 6500.00 Lakh in respect of its two jointly controlled companies namely GSPL India Gasnet Limited and GSPL India Transco Limited. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and security.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public during the year. Therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate and complete.

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, GST, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

   According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess, GST and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, the following dues of Income Tax, Duties of Excise and service tax as at 31st March 2019 have not been deposited by the Company on account of disputes given below:

Nature of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount Relates	Forum where the dispute is pending.
The Income Tax Act, 1961	Assessment Disallowance	54.63	2016-17	CIT (Appeals)
The Finance Act, 1994	Denial of Cenvat Credit	735.04	2005-08, 2008-09 & 2010-11	Supreme Court.
	Denial of Cenvat Credit	14,414.99	2005-08, 2008-09 & 2010-11	Gujarat High Court

Nature of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount Relates	Forum where the dispute is pending.
The Finance Act, 1994	Liability of Company under reverse charge mechanism	101.91	2002-03, 2003-04 & 2004-05 2006-11	CESTAT
	Denial of Cenvat Credit	9,468.15	2009-10 2010-11 2011-12 2012-13	CESTAT
	Denial of Cenvat Credit	3,692.00	2010-11 2012-13 2014-15 2015-16 2016-17	Commissioner/ Asst. Commissioner
	Service tax on Liquidated Damages	480.65	2012-17	Commissioner/ Asst. Commissioner

8. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institution, bank, Government or dues to debenture holders. There were no debenture holders at any time during the year.
9. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of Initial Public offer or further public offer or new term loans during the year. However, the term loans outstanding at the beginning of the year have been applied for the purpose for which the loans were raised.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company by its officers or employees during the year was noticed or reported, nor we have been informed of such case by the management.
11. According to the information and explanations give to us and based on our examination of the record of the Company, the Company has not paid/ provided for managerial remuneration..
12. The Company is not a Nidhi company. Therefore the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the notes to the financial statements as required by Indian Accounting Standard (AS) 24, Related Party Disclosures.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares, or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the company has not entered in to any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

Place: Ahmedabad
Date : 9th May, 2019

STANDALONE BALANCE SHEET
AS AT 31st MARCH, 2019

(₹ in Lacs)

Particulars	Notes	As At 31st March, 2019	As At 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	3,45,738.88	2,97,304.34
Capital Work-In-Progress	3	41,935.79	89,591.60
Intangible Assets	4	15,011.02	14,112.85
Financial Assets			
Investment in Subsidiaries, Joint Venture and Associate	5	4,18,543.95	4,14,630.61
Investments	6	9,173.95	3,505.36
Loans	7	2,787.10	2,400.62
Other Financial Assets	8	319.06	81.50
Other Non-Current Assets	9	9,126.60	10,150.75
Total Non-Current Assets		**8,42,636.35**	**8,31,777.63**
Current Assets			
Inventories	10	12,790.65	12,346.45
Financial Assets			
Trade Receivables	11	20,809.82	12,351.51
Cash and Cash Equivalents	12	7,001.89	2,250.76
Other Bank Balances	12	8,827.58	34,201.88
Loans	7	152.90	207.88
Other Financial Assets	8	1,210.44	491.68
Other Current Assets	9	1,566.11	1,224.90
Total Current Assets		**52,359.39**	**63,075.06**
Total Assets		**8,94,995.74**	**8,94,852.69**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	56,397.14	56,383.36
Other Equity	14	5,18,003.94	4,50,120.66
Total Equity		**5,74,401.08**	**5,06,504.02**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	1,28,556.28	1,75,948.10
Other Financial Liabilities	16	1,919.61	1,499.62
Provisions	17	1,890.34	1,277.08
Deferred Tax Liabilities (Net)	18	52,262.89	49,842.22
Other Non-Current Liabilities	19	2,655.08	1,485.76
Total Non-Current Liabilities		**1,87,284.20**	**2,30,052.78**
Current Liabilities			
Financial Liabilities			
Trade Payables	20		
Total outstanding dues of micro enterprises and small enterprises		346.62	1,502.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,037.71	352.09
Other Financial Liabilities	16	1,27,981.91	1,44,439.74
Other Current Liabilities	19	2,677.60	11,898.15
Provisions	17	266.62	103.22
Total Current Liabilities		**1,33,310.46**	**1,58,295.89**
Total Liabilities		**3,20,594.66**	**3,88,348.67**
Total Equity and Liabilities		**8,94,995.74**	**8,94,852.69**

Significant Accounting Policies 2

The accompanying notes are integral part of the Financial Statements.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2019

(₹ in Lacs)

Particulars	Notes	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
INCOME :			
Revenue from Operations	21	1,87,725.70	1,33,174.79
Other Income	22	5,936.12	7,346.60
Total Income (A)		**1,93,661.82**	**1,40,521.39**
EXPENSES :			
Gas Transmission Expense		10,178.45	4,776.08
Cost of Material Consumed	23	33.44	-
Excise Duty		7.19	-
Employee Benefit Expenses	24	6,454.91	4,320.22
Finance Costs	25	21,919.51	3,541.35
Depreciation and Amortisation Expenses	26	17,997.60	17,503.87
Other Expenses	27	16,792.33	9,298.67
Total Expenses (B)		**73,383.43**	**39,440.19**
Profit Before Tax (A-B)		**1,20,278.39**	**1,01,081.20**
Tax Expenses	28		
Current Tax		38,819.88	32,474.66
(Excess)/Short Provision of Tax - Earlier Years		(632.24)	(911.48)
Deferred Tax		2,623.49	2,675.13
Profit After Tax for the Period		**79,467.26**	**66,842.89**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(322.81)	20.08
Remeasurements of post-employment benefit obligations		(277.83)	16.53
Income tax relating to these items	28	202.82	22.01
Other Comprehensive Income for the Period, net of tax		**(397.82)**	**58.62**
Total Comprehensive Income for the Period		**79,069.44**	**66,901.51**
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 10)			
Basic (₹)	29	14.09	11.86
Diluted (₹)	29	14.09	11.85

Significant Accounting Policies 2

The accompanying Notes are integral part of the Financial Statements.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019

(₹ in Lacs)

Particulars	2018-19	2017-18
A. Cash Flow from Operating Activities		
Profit before Taxes	1,20,278.39	1,01,081.20
Adjustments for:		
Depreciation & amortisation	17,997.60	17,503.87
ESOP Compensation Expense	(6.08)	(1.13)
Employee benefit expenses	(1.88)	163.26
(Profit)/Loss on sale/retirement of Assets	(29.93)	(512.60)
Dividend Income	(3,120.32)	(1,173.92)
Interest Income	(2,092.74)	(5,054.54)
Other Non-cash Items	(173.30)	(140.07)
Finance cost	21,919.51	3,541.35
Operating Profit before Working Capital Changes	**1,54,771.25**	**1,15,407.42**
Changes in Working Capital		
(Increase)/Decrease in Inventory	(444.20)	(1,112.49)
(Increase)/Decrease in Trade Receivable	(8,458.31)	(458.26)
(Increase)/Decrease in Loans	(1,202.79)	244.10
(Increase)/Decrease in Other Financial Assets	(617.85)	(33.13)
(Increase)/Decrease in Other Non-Financial Assets	(285.75)	2,343.35
Increase/(Decrease) in Trade payable	529.55	476.12
Increase/(Decrease) in Other Financial Liabilities	9,602.84	96.86
Increase/(Decrease) in Net Employee Benefit Liabilities	745.96	93.56
Increase/(Decrease) in Non-Financial Liabilities	(9,423.28)	3,431.87
Cash generated from Operations	**1,45,217.42**	**1,20,489.40**
Taxes Paid	(36,394.66)	(31,052.06)
Net Cash Flow from Operating Activities (A)	**1,08,822.76**	**89,437.34**
B. Cash Flow from Investing Activities		
Acquisition of investments	(9,904.74)	(3,41,566.34)
Interest Received	2,507.91	6,312.61
Dividend Received	3,120.32	1,173.92
Changes in earmarked Fixed Deposits & Current Account	24,664.37	43,639.60
Proceeds from sale of Assets	462.46	2,037.11
Acquisition of Fixed Assets and Change in Capital Work in Progress	(21,646.13)	(28,949.41)
Net Cash Flow from Investing Activities (B)	**(795.81)**	**(3,17,352.51)**
C. Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital including Share Premium and Share application money pending allotment	116.83	184.40
Proceeds from non-current borrowing	29,900.00	2,81,700.00
Repayment of non-current borrowings	(99,020.39)	(39,310.89)
Dividend (Including Corporate Dividend Tax) Paid	(11,283.13)	(10,178.06)
Interest & Financial Charges paid	(22,989.13)	(3,747.13)
Net Cash Flow from Financing Activities (C)	**(1,03,275.82)**	**2,28,648.32**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**4,751.13**	**733.15**
Cash and Cash Equivalents at the beginning of the period	**2,250.76**	**1,517.61**
Cash and Cash Equivalents at the end of the period	**7,001.89**	**2,250.76**
Notes to Statement of Cash Flows		
1. Cash and cash equivalent includes-		
Cash and Cheques on Hand	0.64	0.55
Balances with Scheduled Banks		
in Current Accounts	1,991.57	2,250.21
in Deposit Accounts	5,009.68	-
	7,001.89	**2,250.76**

2. Refer note 30 for reconciliation for financing activities.
3. Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to this year's classification.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE PERIOD ENDED ON 31st MARCH 2019

A. Equity Share Capital

Particulars	Notes	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL Equity Shares of ₹ 10/- each fully paid up			
As at 1 April 2017		**56,35,87,732**	**56,358.77**
Add: Equity Shares allotted pursuant to Employee Stock Option Plan	44	2,45,860	24.59
As at 31 March 2018		**56,38,33,592**	**56,383.36**
Add: Equity Shares allotted pursuant to Employee Stock Option Plan	44	1,37,761	13.78
As at 31 March 2019		**56,39,71,353**	**56,397.14**

B. Other Equity **(₹ in Lacs)**

Particulars	Share Application Money Pending Allotment	Reserves & Surplus				Equity Instruments through Other Comprehensive Income	Total Other Equity
		Security Premium	General reserve	Employees Stock Options Outstanding	Retained earnings		
Balance at April 1, 2017	**-**	**41,062.39**	**272.30**	**385.83**	**3,51,338.35**	**179.70**	**3,93,238.56**
Profit for the year excluding prior period items	-	-	-	-	66,842.89	-	66,842.89
Other comprehensive income for the year (net of tax)	-	-	-	-	-	47.87	47.87
Items of OCI recognised directly in retained earnings							
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	10.75	-	10.75
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**66,853.64**	**47.87**	**66,901.51**
Transferred to Securities Premium on exercise of ESOPs (Note 44)	-	-	-	(115.68)	-	-	(115.68)
ESOP Lapsed / Cancelled (Note 44)	-	-	-	(1.13)	-	-	(1.13)
Dividends (Note 13)	-	-	-	-	(8,456.51)	-	(8,456.51)
Dividend Distribution Tax (DDT)	-	-	-	-	(1,721.55)	-	(1,721.55)
Issue of Equity Shares	-	275.49	-	-	-	-	275.49
Balance at March 31, 2018	**-**	**41,337.88**	**272.30**	**269.01**	**4,08,013.90**	**227.57**	**4,50,120.66**
Profit for the year	-	-	-	-	79,467.26	-	79,467.26
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(217.07)	(217.07)
Items of OCI recognised directly in retained earnings	-						-
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	(180.75)	-	(180.75)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**79,286.51**	**(217.07)**	**79,069.44**
Transferred to Securities Premium on exercise of ESOPs (Note 44)	-	-	-	(87.73)	-	-	(87.73)
ESOP Lapsed / Cancelled (Note 44)	-	-	-	(6.08)	-	-	(6.08)
Dividends (Note 13)	-	-	-	-	(9,867.91)	-	(9,867.91)
Dividend Distribution Tax (DDT)	-	-	-	-	(1,415.22)	-	(1,415.22)
Received during the year	13.50	-	-	-	-	-	13.50
Issue of Equity Shares	-	177.28	-	-	-	-	177.28
Balance at 31 March, 2019	**13.50**	**41,515.16**	**272.30**	**175.20**	**4,76,017.28**	**10.50**	**5,18,003.94**

Purpose Of Reserves:

(i) **Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) **General Reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(iii) **Retained Earnings:** The amount that can be distributed by the Company as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.

(iv) **Equity Instruments through Other Comprehensive Income :** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

1 CORPORATE INFORMATION

Gujarat State Petronet Limited (GSPL or "The Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GSPL is a Government Company u/s 2(45) of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company is primarily engaged in transmission of natural gas through pipeline on an open access basis from supply points to demand centers and to the end customers. Further, it is also engaged in generation of electricity through Windmills.

Authorization of financial statements

The Standalone Financial Statements were authorized for issue in accordance with a resolution passed in Board of Directors meeting held on 9th May 2019.

2.1 Significant Accounting Policies

(a) Basis of preparation

(i) The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time).

These financial statement have been prepared on accrual basis of accounting using historical cost convention except certain financial assets, financial liabilities and share based payment measured at fair value.

(ii) The preparation & presentation of financial statements requires management to make certain judgments, estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Useful lives of property, plant and equipment and intangible assets
- Identifying performance obligations under contracts with customer
- Timing of revenue recognition under contracts with customers
- Measurement of Defined Benefit Obligations
- Provisions and contingencies
- Expected credit loss for receivables and other financial assets
- Fair valuation of investments in equity instruments of unlisted companies
- Identification of investment properties
- Current tax and Deferred tax asset / liabilities recognition

(iii) All values are rounded to the nearest rupees in Lacs, except where otherwise indicated.

(b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any.

The cost of Property, Plant and Equipment comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Capital Work-in-progress (CWIP) includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned, and project inventory.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2015 as the deemed cost.

(c) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which are expected to provide future enduring economic benefits are capitalized as intangible assets.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its intangible assets recognized as at 1st April, 2015 as the deemed cost.

(d) Investment properties

Investment properties comprise portions of free hold or land held under finance lease and office buildings that are held for rental or for capital appreciation or both. An investment property generates cash flow largely independently of the other assets held by the company.

Property used in production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further, property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(e) Depreciation and Amortisation

Depreciation on gas transmission pipeline(s) and associated compressor facilities are provided using straight line method (SLM) and on other items of property, plant and equipment using written down value method (WDV) based on the useful life prescribed in Schedule II to the Companies Act 2013.

City gas station, skids, pressure regulating stations, meters and regulators are depreciated unsing straight line method (SLM) over useful life of 18 years based on technical assessment made by technical expert and management.

The residual values are not more than 5% of the original cost of the item of property, plant and equipment.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Assets costing up to ₹5,000/- and books are depreciated fully in the year of purchase / capitalization.

Cost of lease-hold land is amortized equally over the period of lease.

In case of intangible assets, software is amortized at 40% on written down value method.

Right of Use is indefinite in nature hence it is not amortised. However, the same is tested for impairment annually. Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on the useful life of gas transmission pipeline(s).

(f) Investments in subsidiaries, joint venture and associates

Investments in subsidiaries, joint venture and associates are carried at cost less accumulated impairment losses, if any. Cost includes the purchase price and other costs directly attributable to the acquisition of investments. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint venture and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss. Further, under Ind AS 101, while transitioning to Ind AS from previous GAAP, the Company had elected to measure its existing investments in joint ventures and associates on the date of transition at the previous GAAP carrying value.

(g) Financial instruments

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

A. Financial assets measured at amortised cost;
B. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
C. Financial assets measured at fair value through profit or loss (FVTPL); and

The Company classifies its financial assets in the above mentioned categories based on:

(i) The Company's business model for managing the financial assets, and
(ii) The contractual cash flows characteristics of the financial asset.

A. *Financial assets measured at amortised cost*

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

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

B. *Financial assets measured at fair value through other comprehensive income (FVTOCI)*

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and

(ii) The asset's contractual cash flows represent SPPI.

C. *Financial assets measured at fair value through profit or loss (FVTPL)*

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity instruments

All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has opted for an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or

B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through 'arrangement; and either

a. The Company has transferred substantially all the risks and rewards of the asset, or

b. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instrument, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

(ii) Trade receivables or other financial assets that result from transactions that are within the scope of Ind AS 115

(iii) Lease Receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date adjusted appropriately to reflect the estimated expected losses.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortised cost as appropriate.

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

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

Subsequent measurement

A. Financial liabilities measured at amortised cost; or

B. Financial liabilities subsequently measured at fair value through profit or loss (FVTPL)

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and derecognition are recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derivatives

The Company uses derivative financial instruments such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Trade and other payables

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously

(h) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

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

(i) Inventories

Inventories including stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost. Inventory of Gas held for sale under City Gas Distribution Network is valued at lower of weighted moving average cost and net realizable value.

(j) Employee Benefits

Short term employee benefits obligations:

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which related services are rendered.

Post-employment benefits and other long term employee benefits:

The Company has participated in- Group Gratuity scheme of HDFC Standard Life Insurance Company Limited / Life Insurance Corporation of India. It also contributes for post-retirement medical benefits. The liability in respect of gratuity and post-retirement medical benefits, being defined benefit schemes, payable in future, are determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) after adjustment of planned assets are charged to the Other Comprehensive Income for the year. Moreover, the liability in respect of leave encashment being other long term employee benefits, payable in future, are also determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) are charged as employee benefit expenses in the Statement of Profit and Loss for the year.

Retirement benefits in the form of provident fund and defined superannuation fund which are defined contribution schemes are accrued in accordance with statutes and deposited with respective authority/agency and charged to the Statement of Profit and Loss account for the year, in which the contributions to the respective funds accrue.

Share-based payments

Share-based compensation benefits are provided to employees via GSPL Employee Stock Option Scheme. The fair value of options granted under the GSPL Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

(i) including any market performance conditions (e.g. entity's share price)

(ii) excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period); and

(iii) Including the impact of any non-vesting conditions (e.g. the requirements for employees to save or holding shares for specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

(k) Borrowing Cost

The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the Statement of Profit and Loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the Statement of Profit and Loss.

(l) Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is GSPL's functional and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the time of transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are reported at exchange rate prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing at the time of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

(m) Revenue Recognition

Revenue from contracts with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Company assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange of service.

The transaction price includes Excise Duty, however it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Company collects on behalf of the government.

In determining the transaction price, the Company estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis.

Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas to consumers from retail outlets.

Revenue from sale of electricity is recognised at the point in time when control is transferred to the customer, generally on delivery at metered/assessed measurements facility.

Other Income:

Interest income is recognised using effective interest rate (EIR) method. Dividend income is recognised, when the right to receive the dividend is established by the reporting date.

(n) Taxation

Income taxes

Provision for current tax is calculated on the basis of the Income tax law enacted or substantively enacted at the end of the reporting period.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Taxes

Deferred tax is provided, on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in standalone financial statements, using tax rates & laws that have been enacted or substantially enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise the same.

Deferred tax is not recognised for all taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the same and when the balances relate to the same taxation authority.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilize all or part of the deferred tax asset. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will available to utilized the deferred tax asset.

(o) Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(p) Earnings per Share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasure shares, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Provisions, Contingent Liabilities and Contingent Assets

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

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are not recognized in the financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(r) Leases

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

A lease is classified at the inception date as a finance lease or an operating lease.

As a lessee

Finance lease

Leases are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

At the commencement of the lease term, the Company recognises finance leases as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum ease payments, each determined at the inception of the lease. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Any indirect costs of the Company are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Leases (including those for land) which are not classified as finance leases are considered as operating lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

B. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

As a lessor

Finance lease

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

The Company a scheme of providing certain assets viz. mobiles, laptops, vehicles to their employees. Under the said scheme, the Company initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Company has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the statement of profit and loss on a straight-line basis over the lease term, unless either:

A. Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the Company are not on that basis; or

B. The payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases. If payments to the Company vary because of factors other than general inflation, then this condition is not met.

(s) Cash and cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(t) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

The Company has provided disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(u) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorized and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(v) Event Occurring after Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the reporting date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the reporting date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

(w) Standard issued not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning after 1st April, 2019. The Company intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on equity or profit on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Amendments to existing Ind AS:

The following amendments to existing standards are not expected to have a significant impact on the Company's standalone financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Land- Free Hold	9,962.26	146.37	-	10,108.63	-	-	-	-	10,108.63	9,962.26
Land- Lease Hold (Refer (i))	1,923.44	-	-	1,923.44	63.27	21.09	-	84.36	1,839.08	1,860.17
Building	18,123.02	3,792.49	-	21,915.51	3,734.16	1,483.36	-	5,217.52	16,697.99	14,388.86
Plant & Equipment	3,06,361.25	59,427.95	-	3,65,789.20	42,288.16	14,515.54	-	56,803.70	3,08,985.50	2,64,073.09
Communication Equipment	5,268.32	417.61	-	5,685.93	2,393.62	571.12	-	2,964.74	2,721.19	2,874.70
Electrical Installation & Equipment	7,800.50	2,312.29	0.82	10,111.97	4,091.89	1,064.66	0.65	5,155.90	4,956.07	3,708.61
Computers	238.85	124.58	0.03	363.40	148.99	67.69	-	216.68	146.72	89.86
Furniture & Fittings	569.61	29.48	-	599.09	318.84	67.83	-	386.67	212.42	250.77
Office Equipment	65.23	6.71	-	71.94	45.51	8.57	-	54.08	17.86	19.72
Vehicles	157.92	-	-	157.92	84.78	22.23	-	107.01	50.91	73.14
Books	23.59	-	-	23.59	23.59	-	-	23.59	-	-
Ship / Boat	6.33	-	-	6.33	3.17	0.65	-	3.82	2.51	3.16
Total Property, Plant and Equipment	**3,50,500.32**	**66,257.48**	**0.85**	**4,16,756.95**	**53,195.98**	**17,822.74**	**0.65**	**71,018.07**	**3,45,738.88**	**2,97,304.34**
Capital Work In Progress	-	-	-	-	-	-	-	-	41,935.79	89,591.60
Total	**3,50,500.32**	**66,257.48**	**0.85**	**4,16,756.95**	**53,195.98**	**17,822.74**	**0.65**	**71,018.07**	**3,87,674.67**	**3,86,895.94**
Previous Year	**3,38,698.54**	**11,824.13**	**22.35**	**3,50,500.32**	**35,839.87**	**17,358.64**	**6.51**	**53,195.98**	**3,86,895.94**	**3,71,496.01**

4 INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Computer software	268.29	48.98	-	317.27	169.83	50.96	-	220.79	96.48	98.46
Right of use / Right of way*	14,351.70	1,024.05	-	15,375.75	337.31	123.90	-	461.21	14,914.54	14,014.39
Total Intangible Assets	14,619.99	1,073.03	-	15,693.02	507.14	174.86	-	682.00	15,011.02	14,112.85
Previous Year	14,071.23	548.76	-	14,619.99	361.91	145.23	-	507.14	14,112.85	13,709.32

(i) Leased Assets

The land is obtained under finance lease and the lease term is generally more than 50 years.

(ii) Contractual Obligations

Refer Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Right of Use

Right of Use (RoU) in land is a right acquired under the law and the Company has unrestricted right of entry for laying, operation and maintenance of the pipeline for indefinite period. Hence, Right of Use has an indefinite life and hence it is not amortised; however, the same is tested for impairment annually. Moreover, Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

*Includes RoU of ₹ 9,915.26 Lacs (31st March 2018: ₹ 9,661.33 Lacs)

5. INVESTMENTS IN SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Quoted		
Investment in equity shares of subsidiary companies		
37,28,73,995 (31st March, 2018: 7,45,74,799) Fully Paid Up Equity Shares of ₹ 2 each of Gujarat Gas Limited (Note (i)) [w.e.f from 15th January, 2019, face value has been split from ₹ 10 to ₹ 2]	3,67,967.24	3,67,953.90
Unquoted		
Investments in equity shares of joint venture companies		
24,02,50,060 (31st March, 2018: 20,12,50,060) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Gasnet Limited	24,025.01	20,125.01
19,81,20,000 (31st March, 2018: 19,81,20,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Transco Limited	19,812.00	19,812.00
Investment in equity shares of associate companies		
54,93,070 (31st March, 2018: 54,93,070) Fully Paid Up Equity Shares of ₹ 10 each of Sabarmati Gas Limited	6,739.70	6,739.70
Total	**4,18,543.95**	**4,14,630.61**
Aggregate value of quoted investments	**3,67,967.24**	**3,67,953.90**
Market value of quoted investment	**5,52,785.70**	**6,19,119.98**
Aggregate value of unquoted investments	**50,576.71**	**46,676.71**

(i) The Board of Directors of the Company, in their Board meeting held on 19 March 2018, approved the acquisition of 39,106,328 [before share split] equity shares (28.40% equity stake) of Gujarat Gas Limited (GGL) held by Gujarat State Petroleum Corporation Limited (GSPC). The acquisition was completed on 28 March 2018 through a block deal at the recognised stock exchange at the prevailing market price in compliance with the relevant regulatory provisions. Consequent to the acquisition, the Company holds 54.17% equity shares and voting rights in GGL.

6. INVESTMENTS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investment in unquoted equity shares of other companies measured at fair value through other comprehensive income (FVOCI)*		
2,50,00,000 (31st March, 2018: 2,50,00,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPC LNG Limited	2,500.00	2,843.94
62,50,000 (31st March, 2018: 62,50,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat State Energy Generation Limited	681.68	660.55
5,99,22,659 (31st March 2018: 8,730) Fully Paid Up Equity Shares of Rs. 10/- each of Swan LNG Private Limited	5,992.27	0.87
Total Non-Current Investments	**9,173.95**	**3,505.36**

(i) Investments measured at Fair Value Through Other Comprehensive Income (FVOCI) reflect investments in unquoted equity securities. Refer Note 41 for determination of their fair values.

* Refer note 41 - Financial instruments, fair values and risk measurement.

7. LOANS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security deposit given (Unsecured - considered good)	1,696.85	1,234.01
Loans receivables		
Housing building advance to employees		
Secured, considered good	1,051.97	1,121.69
Other loans and advances to employees		
Unsecured, considered good**	38.28	44.92
Total Non-Current Loans	**2,787.10**	**2,400.62**
Current		
Security deposit given (Unsecured - considered good)	1.04	58.84
Loans receivables		
Housing building advance to employees		
Secured, considered good	91.07	85.45
Other loans and advances to employees		
Unsecured, considered good**	60.79	63.59
Total Current Loans	**152.90**	**207.88**

* Refer note 41 - Financial instruments, fair values and risk measurement

** No loans are credit impaired and there is no significant increase in credit risk of loans.

8. OTHER FINANCIAL ASSETS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Balance in escrow A/c-PNGRB [Incl. TD]	274.79	-
Fixed deposits with original maturity of more than 12 month	16.17	-
Receivable from employees (Secured - considered good)	28.10	81.50
Total Non-Current Other Financial Assets	**319.06**	**81.50**
Current		
Receivable from employees (Secured - considered good)	79.38	21.03
Derivative asset (i)	43.24	23.96
Advances for gratuity	-	68.47
Others	1,087.82	378.22
Total Current Other Financial Assets	**1,210.44**	**491.68**

* Refer note 41 - Financial instruments, fair values and risk measurement

(i) Derivative assets

The Company has entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk. Refer Note 41 for details.

9. OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Capital advances	236.77	221.32
Balances with Government Authorities	6,892.39	6,892.39
Advance income tax and TDS (net of provision)	569.22	2,362.20
Payment under protest	1.00	1.00
Prepaid expenses	1,147.69	345.73
Deferred employee cost	279.53	328.11
Total Non-Current Assets	**9,126.60**	**10,150.75**
Current		
Balances with Government Authorities	132.75	278.30
Prepaid expenses	306.37	182.62
Other advances	905.43	536.36
Deferred employee cost	221.56	227.62
Total Current Assets	**1,566.11**	**1,224.90**

10. INVENTORIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Stores & spares	2,288.97	1,948.47
Gas for trading	2.78	0.36
Line pack gas	10,498.90	10,397.62
Total Inventories	**12,790.65**	**12,346.45**

***For mode of valuation, refer note 2 (i) of significant accounting policies**

11. TRADE RECEIVABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Unsecured, considered good**	20,809.82	12,351.51
Unsecured, considered doubtful	270.84	268.10
Less: Provision for doubtful debts	(270.84)	(268.10)
Total Trade Receivables	**20,809.82**	**12,351.51**

* Refer note 41 - Financial instruments, fair values and risk measurement

** Out of this, ₹ 10,726.00 Lacs are backed by bank guarantee.

(i) Trade receivables from related parties: (₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables from related parties	2,481.32	1,807.69

12. CASH AND OTHER BANK BALANCES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks		
In current accounts	1,991.57	2,250.21
Fixed deposit with original maturity of less than 3 months	5,009.68	-
Cash on hand	0.64	0.55
Total Cash and Cash Equivalents	**7,001.89**	**2,250.76**
Other Bank Balances		
Earmarked balances with banks		
Unpaid dividend account	110.13	85.38
Balance in escrow A/c-PNGRB [Incl. TD]	4,105.12	4,017.27
Fixed Deposit		
Margin money deposit - bank guarantee / letter of credit	36.41	25,876.66
With original maturity of more than 12 months	-	15.02
With original maturity of more than 3 months but less than 12 months	4,575.92	4,207.55
Total Bank Balance other than Cash and Cash Equivalents	**8,827.58**	**34,201.88**

* Refer note 41 - Financial instruments, fair values and risk measurement

13. EQUITY SHARE CAPITAL

Particulars	**Number of Shares**	**Amount ₹ in Lacs**
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2017	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2018	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2019	**70,00,00,000**	**70,000.00**

Particulars	**Notes**	**Number of Shares**	**Amount ₹ in Lacs**
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Equity shares of ₹ 10/- each fully paid up			
As at 1 April 2017		**56,35,87,732**	**56,358.77**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	44	2,45,860	24.59
As at 31 March 2018		**56,38,33,592**	**56,383.36**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	44	1,37,761	13.78
As at 31 March 2019		**56,39,71,353**	**56,397.14**

Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2019, the amount of dividend per share recognised as distribution to equity shareholders is ₹ 1.75 per share (31st March 2018: ₹ 1.5 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by parent company and ultimate parent company and their subsidiaries / associates **(₹ in Lacs)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
21,23,05,270/- Equity Shares held by parent company - Gujarat State Petroleum Corporation Ltd. (As at 31st March, 2018: 21,23,05,270/-)	21,230.53	21,230.53

Details of shareholder(s) holding more than 5% equity shares

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Number of Equity Shares		
Gujarat State Petroleum Corporation Limited	21,23,05,270	21,23,05,270
Gujarat Maritime Board	3,70,88,000	3,70,88,000
% Holding in Equity Shares		
Gujarat State Petroleum Corporation Limited	37.64%	37.65%
Gujarat Maritime Board	6.58%	6.58%

Detail of shares reserved for issue under Employee Stock Option Plan (ESOP)

For details of shares reserved for issue under the Employees Stock Option Plan (ESOP) 2010 of GSPL, please refer Note 44.

14. OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment	13.50	-
Securities Premium	41,515.16	41,337.88
General Reserve	272.30	272.30
Employees Stock Options Outstanding (Net)	175.20	269.01
Retained Earnings	4,76,017.28	4,08,013.90
Reserves representing unrealized gains/losses	10.50	227.57
Total Other Equity	**5,18,003.94**	**4,50,120.66**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment		
Opening balance	-	-
Add: Received during the period	13.50	-
Closing balance	**13.50**	**-**
Securities Premium Reserve		
Opening balance	41,337.88	41,062.39
Add: Addition during the Year	177.28	275.49
Closing balance	**41,515.16**	**41,337.88**
General Reserve		
Opening balance	272.30	272.30
Add: Addition during the Year	-	-
Closing balance	**272.30**	**272.30**
Employees Stock Options Outstanding (Net)		
Gross compensation for ESOPs granted	1,125.94	1,125.94
Less: Transferred to securities premium on exercise of ESOPs	599.55	511.82
Less: ESOP lapsed / cancelled	351.19	345.11
Closing balance	**175.20**	**269.01**

Refer Note 44 for details.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
Opening balance	4,08,013.90	3,51,338.35
Add:		
Profit during the period	79,467.26	66,842.89
Remeasurement of post employment benefit obligation, net of tax	(180.75)	10.75
Less:		
Equity dividend	(9,867.91)	(8,456.51)
Tax on dividend	(1,415.22)	(1,721.55)
Closing balance	**4,76,017.28**	**4,08,013.90**
Reserves representing unrealized gains/losses		
FVOCI - Equity Investments		
Opening balance	227.57	179.70
Increase/(decrease) fair value of FVOCI equity instruments	(322.81)	20.08
Income tax on net fair value gain or loss	105.74	27.79
Closing balance	**10.50**	**227.57**

15. BORROWINGS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loan from banks	15,238.99	13,141.52
Term loan from financial institutions	9,246.63	12,071.31
Unsecured		
Term loan from financial institutions	2,12,112.22	2,80,569.59
Total Borrowings (A)	**2,36,597.84**	**3,05,782.42**
Current Maturities of Borrowings**		
Secured		
Term loan from banks	2,994.96	2,957.16
Term loan from financial institutions	2,934.38	2,974.24
Unsecured		
Term loan from financial institutions	1,02,112.22	1,23,902.92
Current Maturities of Borrowings (B)	**1,08,041.56**	**1,29,834.32**
Non-Current Borrowings (A-B)	**1,28,556.28**	**1,75,948.10**

* Refer note 41 - Financial instruments, fair values and risk measurement

** Disclosed under 'Other Current Financial Liabilities' (Refer Note 16)

Term loan from banks and financial institutions are secured by first pari-passu charge on all Intangible and Tangible assets (except 36" pipeline from Hazira to Mora), Capital Work in Progress, operating cash flows, Book Debts and Other Movables of the Company.

For foreign currency loan, the Company has entered in to cross currency swap and interest rate swap in order to hedge its foreign currency risks in full.

Maturity Profile and Rate of Interest of Term Loans

Terms of repayment	No. of Installments due	Interest rate	Maturity	2018-19*		2017-18*	
				Non-current	Current	Non-current	Current
Quarterly installments	13	7.86%	Apr-22	6,328.13	2,812.50	9,140.63	2,812.50
Half yearly installments	3	1 Year GSEC + 2.175%	Aug-20	603.27	1,206.55	1,809.82	1,206.55
Quarterly installments	32	1 Year MCLR	Mar-27	11,664.00	1,668.00	8,433.33	1,666.67
Yearly installments	2	8.25%	Mar-21	93,333.33	93,333.33	1,56,666.67	1,23,333.33
Yearly installments	3	8.25%	Mar-22	16,666.66	8,333.33	-	-
Grand Total				**1,28,595.39**	**1,07,353.71**	**1,76,050.45**	**1,29,019.05**

* Represents cash outflows of principal amount outstanding as on the reporting date.

16. OTHER FINANCIAL LIABILITIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security deposit from customers	1,919.61	1,499.62
Total Non-Current Other Financial Liabilities	**1,919.61**	**1,499.62**
Current		
Current maturities of long term borrowings	1,08,041.56	1,29,834.32
Other payables (including for capital goods and services)		
Total outstanding dues of micro enterprises and small enterprises	625.34	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,614.82	9,322.09
Earnest money deposit	67.31	108.40
Security deposit from customers	1,610.14	1,468.37
Dividend payable / unclaimed	110.13	85.38
Imbalance, overrun & other charges - PNGRB	3,912.61	3,621.18
Total Current Other Financial Liabilities	**1,27,981.91**	**1,44,439.74**

* Refer note 41 - Financial instruments, fair values and risk measurement

(i) Security deposit from customers

The Company obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.

17. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Provision for employee benefits	**1,475.81**	**893.25**
	1,475.81	893.25
Other Provision		
Provision for decommissioning obligations	414.53	383.83
	414.53	**383.83**
Total Non-Current Provisions	**1,890.34**	**1,277.08**
Current		
Provision for employee benefits	266.62	103.22
Total Current Provisions	**266.62**	**103.22**

(i) Movements in Other Provisions

Particulars	Provision for decommissioning obligations	Total
At 1st April, 2018	383.82	383.82
Add: Unwinding of discounts (accounted as finance cost)	30.71	30.71
At 31st March, 2019	**414.53**	**414.53**

For movements in provisions for employee benefits, refer Note 43.

(ii) Provision for Decommissioning Obligations

Refer accounting policies 2 (q)

18 DEFERRED TAX LIABILITIES (Net)

(₹ in Lacs)

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Property, plant and equipment	53,299.04	50,494.19
Financial liabilities measured at amortised cost	1,063.22	596.04
Financial assets measured at amortised cost	301.73	-
Total Deferred Tax Liabilities (A)	**54,663.99**	**51,090.23**
Deferred Tax Assets		
Provisions for employee benefits	586.54	334.78
Financial liabilities measured at amortised cost	941.79	462.34
Financial assets measured at amortised cost	304.46	-
Investments in equity instruments measured at FVOCI	328.82	223.08
Provision for decommissioning obligations	144.85	134.12
Provisions - Others	94.64	93.69
Total Deferred Tax Assets (B)	**2,401.10**	**1,248.01**
Net Deferred Tax Liabilities (A-B)	**52,262.89**	**49,842.22**

(i) Movements in Deferred Tax Liabilities/(Assets)(net) **(₹ in Lacs)**

Particulars	Property, plant and equipment	Financial liabilities measured at amortised cost	Provisions for employee benefits	Investments in equity instruments measured at FVOCI	Financial assets measured at amortised cost	Provision for decommissioning obligations	Provisions - Others	Net Deferred Tax Liabilities
At 1 April 2017	**47,901.59**	**188.15**	**(300.05)**	**(195.29)**	**-**	**(116.29)**	**(289.01)**	**47,189.10**
Charged/(credited)								
- to profit or loss	2,592.60	(54.45)	(40.51)	-	-	(17.83)	195.32	2,675.13
- to other comprehensive income	-	-	5.78	(27.79)	-	-	-	(22.01)
At 31 March 2018	**50,494.19**	**133.70**	**(334.78)**	**(223.08)**	**-**	**(134.12)**	**(93.69)**	**49,842.22**
Charged/(credited)								
- to profit or loss	2,804.85	(12.27)	(154.68)	-	(2.73)	(10.73)	(0.95)	2,623.49
- to other comprehensive income	-	-	(97.08)	(105.74)	-	-	-	(202.82)
At 31 March 2019	**53,299.04**	**121.43**	**(586.54)**	**(328.82)**	**(2.73)**	**(144.85)**	**(94.64)**	**52,262.89**

(ii) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate: **(₹ in Lacs)**

Particulars	2018-19	2017-18
Accounting Profit before income tax expenses	1,20,278.39	1,01,081.20
Tax expenses at statutory tax rate of 34.944% (2017-18 - 34.608%)	**42,030.08**	**34,982.18**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Items having no tax consequences / others	582.56	1,347.40
Tax exempt income	-	(406.27)
Chapter VI deductions	(1,169.27)	(1,254.93)
Change in tax rate	-	481.41
Short/(Excess) provisions of tax - earlier years	(632.24)	(911.48)
Tax Expenses at effective income tax rate of 33.931% (2018-17: 33.872%)	**40,811.13**	**34,238.31**

(iii) Items of Other Comprehensive Income (₹ in Lacs)

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Changes in fair value of FVOCI equity instruments	(105.74)	(27.79)
Remeasurements of post-employment benefit obligations	(97.08)	5.78
Income tax charged to OCI	**(202.82)**	**(22.01)**

19. OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Revenue received in advance	2,462.99	1,151.92
Others	192.09	333.84
Total Non-Current Liabilities	**2,655.08**	**1,485.76**
Current		
Revenue received in advance	265.79	198.91
Statutory taxes payable	2,083.13	711.41
Others	328.68	10,987.83
Total Current Liabilities	**2,677.60**	**11,898.15**

20. TRADE PAYABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	346.62	1,502.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,037.71	352.09
Total Trade Payables	**2,384.33**	**1,854.78**

* Refer note 41 - Financial instruments, fair values and risk measurement

20.1 Information in respect Micro, Small and Medium Enterprises Development Act, 2006: The Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount remaining unpaid at the end of the period	1,142.32	1,502.69
Interest due thereon remaining unpaid at the end of the period	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the period	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

21. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	2018-19	2017-18
Revenue from contracts with customers		
Revenue from transportation of gas (net)	1,83,241.51	1,28,673.00
Revenue from sale of CNG (including excise duty)	59.03	-
Revenue from sale of electricity (net)	4,172.64	3,728.29
Other operating revenues		
Connectivity charges	252.52	773.50
Total Revenue from Operations	**1,87,725.70**	**1,33,174.79**

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	2018-19
Revenue as per contracted price	1,87,773.04
Adjustments	
Discounts	(47.34)
Revenue from contract with customers	**1,87,725.70**

22. OTHER INCOME

(₹ in Lacs)

Particulars	2018-19	2017-18
Dividend income	3,120.32	1,173.92
Other non-operating income	723.06	1,118.14
Interest income		
Fixed deposits with banks	1,958.93	4,880.73
Other interest income	133.81	173.81
Total Other Income	**5,936.12**	**7,346.60**

23. COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	2018-19	2017-18
Inventory at the beginning of the year	0.36	-
Add: Purchases during the year	30.55	0.36
Gas transportation charges	5.31	-
Less: Inventory at the end of the year	(2.78)	(0.36)
Total Cost of Material Consumed	**33.44**	**-**

24. EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Salaries and wages		
Salaries and allowances	5,100.04	3,492.86
Leave salary	252.64	159.23
Contribution to provident and other funds	950.46	495.79
ESOP compensation expenses	(6.08)	(1.13)
Staff welfare expenses	157.85	173.47
Total Employee Benefit Expenses	**6,454.91**	**4,320.22**

25. FINANCE COSTS

(₹ in Lacs)

Particulars	2018-19	2017-18
Interest on borrowings	21,632.27	3,152.62
Unwinding of discount on provisions	30.71	28.43
Unwinding of transaction costs incurred on borrowings	77.02	183.57
Other borrowing costs (includes bank charges etc.)	179.51	176.73
Total Finance Costs	**21,919.51**	**3,541.35**

The borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s). The weighted average rate of borrowings used for projects is 8.27% for FY 2018-19 [P.Y. : 8.90%].

26. DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Depreciation for property, plant and equipment	17,822.74	17,358.64
Amortisation for intangible assets	174.86	145.23
Total Depreciation and Amortisation Expenses	**17,997.60**	**17,503.87**

27. OTHER EXPENSES

(₹ in Lacs)

Particulars		2018-19	2017-18
Operation & Maintenance Expenses			
Maintenance contracts		1,847.41	1,879.23
Payment to outsourced persons		810.31	647.90
Security service charges		1,178.26	1,076.65
Land revenue		5.07	7.02
Power & fuel		821.42	794.40
Consumption of stores & spare parts		542.66	209.06
System usage gas		5,505.77	(202.77)
Repairs & maintenance - building		123.15	55.20
Repairs & maintenance - machinery		227.21	303.62
Other O&M expenses		976.30	554.69
O&M expenses - windmill		520.13	468.71
	(A)	**12,557.69**	**5,793.71**
Other Office & Administrative Expenses			
Advertisement & publicity expenses		100.80	96.04
Bandwidth & website maintenance charges		32.95	28.35
Business promotion		498.41	27.53
Loss on retirement of asset		78.13	-
Statutory audit fees		2.64	2.73
Donation & contributions (Refer Note (ii))		1,183.28	1,157.26
Legal & professional expenses		475.68	528.17
Provision for doubtful allowance / write off		3.51	-
Rent		234.54	172.24
Rate & taxes		67.18	55.96
Recruitment & training		48.02	49.89
Seminar & conference		48.85	16.77
Stationery & printing		20.78	28.44
Travelling expenses - directors		11.36	12.01
Travelling expenses - others		132.35	103.79
Postage, telephone & courier expenses		32.46	37.07
HSE expenses		112.05	100.44
Listing fee		14.92	15.80
Insurance expenses		304.86	298.19
Other administrative exp.		831.87	774.28
	(B)	**4,234.64**	**3,504.96**
Total Other Expenses	**(A+B)**	**16,792.33**	**9,298.67**

(i) Payment to Auditors* (₹ in Lacs)

Particulars	2018-19	2017-18
For statutory audit	2.64	2.40
For other services	2.61	2.26
For reimbursement of expenses	0.47	0.39
Total	**5.72**	**5.05**

***Excluding applicable taxes.**

(ii) Corporate Social Responsibility Expenses (₹ in Lacs)

Particulars	2018-19	2017-18
Gross amount required to be spent by the Company during the year	1,582.41	1,586.46
Amount spent during the year on (paid in cash) :		
Construction /acquisition of any asset	943.59	12.50
On purpose other than above	233.00	1,144.76
Amount spent during the year on (yet to be paid in cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	-	-
Total amount spend during the year	**1,176.59**	**1,157.26**

28. INCOME TAX EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	38,819.88	32,474.66
Adjustments for the current tax of prior periods	(632.24)	(911.48)
Total Current Tax Expenses	**38,187.64**	**31,563.19**
Deferred Tax Expenses		
Decrease/(Increase) in deferred tax assets	(950.27)	105.70
(Decrease)/Increase in deferred tax liabilities	3,573.76	2,569.43
Total Deferred Tax Expenses	**2,623.49**	**2,675.13**
Income Tax Expenses	**40,811.13**	**34,238.31**

Tax Items of Other Comprehensive Income (₹ in Lacs)

Particulars	2018-19	2017-18
Deferred Tax related to Items recognized in OCI During the Year;		
Changes in fair value of FVOCI equity instruments	(105.74)	(27.79)
Remeasurements of post-employment benefit obligations	(97.08)	5.78
Income tax charged to OCI	**(202.82)**	**(22.01)**

29. EARNING PER SHARE

(₹ in Lacs)

Particulars	2018-19	2017-18
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	79,467.26	66,842.89
Adjusted for the effect of dilution	79,467.26	66,842.89
Weighted average number of Equity Shares for:		
Basic EPS	56,39,05,634	56,37,44,897
Adjusted for the effect of dilution	56,40,46,400	56,39,81,524
Earnings Per Share (₹):		
Basic	14.09	11.86
Diluted	14.09	11.85

30. RECONCILIATION OF MOVEMENTS OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES

(₹ in Lacs)

Particulars	Liabilities	Equity					
	Borrowings	Share Capital	Share application money	Security Premium Reserve	Employees Stock Options Outstanding	Retained earnings	Total
Balance as at 1 April 2017	**63,052.65**	**56,358.77**	**-**	**41,062.39**	**385.82**	**3,51,338.35**	**5,12,197.98**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium	-	24.59	-	275.49	(115.68)	-	184.40
Proceeds from Long Term Borrowing	2,81,700.00	-	-	-	-	-	2,81,700.00
Repayment of Long Term Borrowings	(39,310.89)	-	-	-	-	-	(39,310.89)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(10,178.06)	(10,178.06)
Interest & Financial Charges paid	(3,747.13)	-	-	-	-	-	(3,747.13)
Total Cash Flow from Financing Activities	**2,38,641.98**	**24.59**	**-**	**275.49**	**(115.68)**	**(10,178.06)**	**2,28,648.32**
Liability realted other changes	4,087.79	-	-	-	-	-	4,087.79
Equity realted other changes	-	-	-	-	(1.13)	66,853.64	66,852.51
Balance as at 31 March 2018	**3,05,782.42**	**56,383.36**	**-**	**41,337.88**	**269.01**	**4,08,013.90**	**8,11,786.60**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium and Share application money pending allotment	-	13.78	13.50	177.28	(87.73)	-	116.83
Proceeds from Long Term Borrowing	29,900.00	-	-	-	-	-	29,900.00
Repayment of Long Term Borrowings	(99,020.39)	-	-	-	-	-	(99,020.39)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(11,283.13)	(11,283.13)
Interest & Financial Charges paid	(22,989.13)	-	-	-	-	-	(22,989.13)
Total Cash Flow from Financing Activities	**(92,109.52)**	**13.78**	**13.50**	**177.28**	**(87.73)**	**(11,283.13)**	**(1,03,275.82)**
Liability realted other changes	22,924.94	-	-	-	-	-	22,924.94
Equity realted other changes	-	-	-	-	(6.08)	79,286.51	79,280.43
Balance as at 31 March 2019	**2,36,597.84**	**56,397.14**	**13.50**	**41,515.16**	**175.20**	**4,76,017.28**	**8,10,716.14**

31. CONTINGENT LIABILITIES & CONTINGENT ASSETS

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Claims against company not acknowledged as debts**		
1	By land owners seeking enhancement of compensation in respect of RoU acquired by the Company	2,121.11	2,178.59
2	By other parties including contractual disputes	18,145.07	22,628.09
3	Central Excise and Service Tax matters, the matters lying before: Applicable interest & penalty has also been demanded by Department.	35,767.24	35,785.14
4	Income tax matters:	121.58	306.92
The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required, while rest are disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.			
B	**Guarantees excluding financial guarantees**		
	Outstanding Bank Guarantees / Letter of Credits	2,24,916.17	2,82,109.20

C. Imbalance and overrun charges as per the 'Modalities of maintaining & operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipeline) Regulations, 2008' issued by PNGRB on 7th March 2011, collected for the period prior to 1st April 2011 amounting to ₹ 226.02 Lacs (net of taxes) has been deposited in Escrow Account under protest. However, the same is not recognised as liability as these guidelines are applicable w.e.f. 1st April 2011.

Contingent Assets

The Company is having certain claims, realisation of which is dependent on outcome of legal process being pursued. The management believe that probable outcome in all such claims are uncertain. Hence, the disclosure of such claims is not required in the financial statements.

32. COMMITMENTS

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	5,218.35	1,197.31
B	**Other Commitments**		
	Investments in joint venture and other entities	1,72,515.72	1,82,407.12

33. EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Board of Directors ,in its meeting on 9th May 2019, have proposed a final dividend of ₹ 2.00 (P.Y.: ₹ 1.75) per equity share for the financial year ended on 31st March,2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 12,831.49 Lacs (including Dividend Distribution Tax) [P.Y.: ₹ 11,283.13 Lacs].

34. Previous year figures have been reclassified or regrouped wherever necessary. Refer Note 38 for reclassification of comparative information.

35. BORROWING COSTS CAPITALIZATION

(₹ in Lacs)

As per Indian Accounting Standard -23 "Borrowing Costs", the Company has capitalised the borrowing costs amounting to:

Particulars	2018-19	2017-18
Borrowing costs capitalised	1,185.19	975.23

36. There are no whole time / executive directors on the Board except Managing Director and joint Managing Director. They are not drawing any remuneration from the Company.

37. The balances of trade receivables, trade payables, loans & advances and deposits are subject to confirmation. Provision for all liabilities is adequate in opinion of the Company.

38. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:
- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

The Company believes that such presentation is more relevant for understanding of the Company's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Items of balance sheet before and after reclassification as at 31 March 2018: (₹ in Lacs)

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	**Security deposits reclassified from other financial assets to loans:**			
	Other financial assets			
	Non-current	1,315.51	(1,234.01)	81.50
	Current	550.52	(58.84)	491.68
	Loans			
	Non-current	1,166.61	1,234.01	2,400.62
	Current	149.04	58.84	207.88
2	Payment under protest reclassified to advance income tax and TDS (Net of provision):			
	Payment under protest (Note 9)			
	Non-current	1,124.12	(1,123.12)	1.00
	Advance income tax and TDS (Net of provision) (Note 9)			
	Non-current	1,239.08	1,123.12	2,362.20

Items of statement of profit and loss before and after reclassification as at 31 March 2018: (₹ in Lacs)

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	**Gas transportation charges reclassified from other expenses to transmission expenses on the face of statement of profit and loss:**			
	Gas Transmission expenses (on the face of statement of profit and loss)	-	4,776.08	4,776.08
	Other expenses	14,074.75	(4,776.08)	9,298.67

39. SEGMENT INFORMATION

Segment information has been provided under the Notes to the Consolidated financial statements of the Company

40 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Parent Entity

Gujarat State Petroleum Corporation Limited

(b) Subsidiary/Associate

Name of the entity#	Type
GSPL India Gasnet Limited	Joint Venture
GSPL India Transco Limited	Joint Venture
Gujarat Gas Limited ('GGL')	Subsidiary*
Sabarmati Gas Limited	Associate
Gujarat State Energy Generation Limited	Entities over which parent company exercise significant influence
GSPC LNG Limited	
Gujarat Pipavav Power Company Limited	Entities controlled by the parent company
Gujarat Info Petro Limited	

 # List of parties having transactions during the year

* The Board of Directors of the Company, in their Board meeting held on 19 March 2018, approved the acquisition of 39,106,328 (Before share split) equity shares (28.40% equity stake) of Gujarat Gas Limited (GGL) held by Gujarat State Petroleum Corporation Limited (GSPC). The acquisition was completed on 28 March 2018 through a block deal at the recognised stock exchange at the prevailing market price in compliance with the relevant regulatory provisions. Consequent to the acquisition, GSPL holds 54.17% equity shares and voting rights in GGL.

(c) Transactions with related parties:

(₹ in Lacs)

Particulars	Parent		Subsidiary		Joint Venture		Associate		Others/Key Managerial Pesonnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Gas Transportation Income	16,511.06	11,904.30	32,106.18	1,191.95	-	177.00	5,354.58	26,796.88	2,485.28	903.36	56,457.10	40,973.49
Other Income	1.52	-	178.06	1.99	200.01	189.02	37.56	201.60	-	0.15	417.15	392.76
Investments in equity shares	-	-	-	-	3,900.00	-	-	-	-	-	3,900.00	-
Dividend income	-	-	2,982.99	-	-	-	137.33	1,173.92	-	-	3,120.32	1,173.92
Services received	22.47	10.35	6.22	0.74	1.81	0.38	-	12.24	149.65	58.60	180.15	82.31
Reimbursement made for expenses	413.36	917.69	8.40	-	161.97	248.21	-	8.48	3.51	2.63	587.24	1,177.01
Reimbursement received for expenses	35.69	22.72	24.08	10.83	615.19	260.83	-	43.74	322.36	28.80	997.32	366.92
Purchase of Line Pack Gas	5,707.92	473.73	-	-	-	-	-	-	-	-	5,707.92	473.73
Dividend Paid	3,715.34	3,184.58	-	-	-	-	-	-	-	-	3,715.34	3,184.58
Acquisition of Additional Equity Stake	-	3,25,669.99	-	-	-	14,872.00	-	-	-	-	-	3,40,541.99
Gas transportation charges	-	-	-	-	2,424.34	-	-	-	-	-	2,424.34	-
Pipeline crossing charges paid	-	-	-	-	1.18	-	-	-	-	-	1.18	-
Purchase of Assets	12.11	-	197.07	152.58	0.61	-	-	-	0.03	-	209.82	152.58
Sale of Assets	-	-	-	-	99.87	1.04	-	-	-	-	99.87	1.04
Sale of Materials	-	-	-	-	22.87	0.29	-	30.81	-	-	22.87	31.10
Security deposits paid/released	-	-	24.18	-	1,016.96	-	4.00	32.00	-	-	1,045.14	32.00
Security deposits Received	-	-	274.00	-	-	-	258.00	84.00	0.15	-	532.15	84.00
Refundable Rent Deposit	-	3.41	-	-	-	-	-	-	-	-	-	3.41
Short term employee benefits	-	-	-	-	-	-	-	-	21.71	24.31	21.71	24.31
Contribution made to Employee Benefits Trusts	-	-	-	-	-	-	-	-	367.16	381.88	367.16	381.88
Purchase of trading gas	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Outstanding balances arising from sales/purchases of goods/services												
Corporate guarantee given	-	-	-	-	6,500.00	6,500.00	-	-	-	-	6,500.00	6,500.00
Bank Guarantee / Letter of Credit Taken			3,146.00	10,269.00			360.00	360.00				
Account Payable as at year end	296.37	751.15	186.04	361.63	346.37	13.43	68.00	120.79	60.17	45.30	956.95	1,292.30
Account Receivable / Deposit as at year end	1,004.37	424.25	1,208.67	1,187.28	-	42.52	-	-	277.48	153.64	2,490.52	1,807.69

* The above transactions are inclusive of all taxes, wherever applicable.

(d) Terms and conditions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

Apart from the above transactions, the Company has also entered into certain transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

41. FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

(₹ in Lacs)

A. Financial instruments by category and their fair value

As at 31st March, 2019	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	9,173.95	-	9,173.95	-	-	9,173.95	9,173.95
Loan								-
- Non-current	-	-	2,787.10	2,787.10	-	-	-	-
- Current	-	-	152.90	152.90	-	-	-	-
Trade Receivables	-	-	20,809.82	20,809.82	-	-	-	-
Cash and Cash Equivalents	-	-	7,001.89	7,001.89	-	-	-	-
Other Bank Balances	-	-	8,827.58	8,827.58	-	-	-	-
Other financial assets								
- Non-current	-	-	319.06	319.06	-	-	-	-
- Current	43.24	-	1,167.20	1,210.44	-	43.24	-	43.24
Total financial assets	**43.24**	**9,173.95**	**41,065.55**	**50,282.74**	**-**	**43.24**	**9,173.95**	**9,217.19**
Financial liabilities								
Non-current Borrowings	-	-	1,28,556.28	1,28,556.28	-	-	-	-
Other financial liabilities								
- Non-current	-	-	1,919.61	1,919.61	-	-	-	-
- Current	-	-	1,27,981.91	1,27,981.91	-	-	-	-
Trade Payables	**-**	**-**	**2,384.33**	**2,384.33**	**-**	**-**	**-**	**-**
Total financial liabilities	**-**	**-**	**2,60,842.13**	**2,60,842.13**	**-**	**-**	**-**	**-**

(₹ in Lacs)

As at 31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares -Unquoted	-	3,505.36	-	3,505.36	-	-	3,505.36	3,505.36
Loan								-
- Non-current	-	-	2,400.62	2,400.62	-	-	-	-
- Current	-	-	207.88	207.88	-	-	-	-
Trade Receivables	-	-	12,351.51	12,351.51	-	-	-	-
Cash and Cash Equivalents	-	-	2,250.76	2,250.76	-	-	-	-
Other Bank Balances	-	-	34,201.88	34,201.88	-	-	-	-
Other financial assets								
- Non-current	-	-	81.50	81.50	-	-	-	-
- Current	23.96	-	467.72	491.68	-	23.96	-	23.96
Total financial assets	**23.96**	**3,505.36**	**51,961.87**	**55,491.19**	**-**	**23.96**	**3,505.36**	**3,529.32**
Financial liabilities								
Non-current Borrowings	-	-	1,75,948.10	1,75,948.10	-	-	-	-
Other financial liabilities								
- Non-current	-	-	**1,499.62**	**1,499.62**	-	-	-	-
- Current	-	-	**1,44,439.74**	**1,44,439.74**	-	-	-	-
Trade Payables	-	-	**1,854.78**	**1,854.78**	-	-	-	-
Total financial liabilities	**-**	**-**	**3,23,742.24**	**3,23,742.24**	**-**	**-**	**-**	**-**

*Investments in equity accounted investees and subsidiaries are carried at cost.

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs for determining fair value are as under:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVOCI in unquoted equity shares	**Valuation techniques:** Such investments are fair valued using appropriate valuation techniques as permitted under Ind AS 113. These have been summarised below: • Investment in equity shares of Gujarat State Energy Generation Limited has been fair valued using the Discounted Cash Flow method (DCF) (90% Weightage) and Net Asset Value Method (10% Weightage). Further, this investment was fair valued using the DCF method in the previous year. • Investment in equity shares of GSPC LNG Limited were fair valued using the Net Asset Value method (PY : DCF Method). • Investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018 and March 2019. Further payments will be made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made on the date of acquisition. **Significant unobservable inputs** Future estimated cash flows, discount rate and provisional financial information. **Inter-relationship between significant unobservable inputs and fair value measurement** The estimated fair value would increase (decrease) if there is a change in estimated cash flows and discount rate used to determine the fair value and change in projected financial information.
Cross Currency Interest Rate Swaps	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31 March 2019 and 31 March 2018 is as below:

(₹ in Lacs)

Particulars	Amount
As at 1 April 2017	**3,484.41**
Acquisitions/ (disposals)	0.87
Gains/ (losses) recognised in other comprehensive income	20.08
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2018	**3,505.36**
Acquisitions/ (disposals)	5,991.40
Gains/ (losses) recognised in other comprehensive income	(322.81)
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2019	**9,173.95**

Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2019 and 31 March 2018.

Sensitivity analysis
Gujarat State Energy Generation Limited (GSEG)

A sensitivity analysis has been carried out to determine the impact on equity valuation of GSEG. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in estimated cash flows by 5%	(41.50)	-
Decrease in estimated cash flows by 5%	41.49	-
Increase in adjusted net assets by 5%	-	33.03
Increase in discount rate by 0.5%	1.46	-
Decrease in discount rate by 0.5%	(1.48)	-

GSPC LNG Limited

A sensitivity analysis has been carried out to determine the impact of escalation in below parameter of GSPC LNG Limited on the valuation. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in net assets by 5%	125.00	-
Increase in total Opex by 5%	-	91.00
Decrease in net assets by 5%	(125.00)	-

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures adopted have been enumerated below:

Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base are Industrial and Commercial.

Services are generally subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are not affected. The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Age of Receivables **(₹ in Lacs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not Due	8,503.58	6,969.45
0-3 Months	-	-
3-6 Months	6,628.04	-
6-12 Months	569.14	0.29
1-3 years	-	58.52
> 3 years	5,379.90	5,591.35

The above receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided below, is not significant / material. The concentration of credit risk is limited due to fact that the customer base is large and unrelated.

Movements in Expected Credit Loss Allowance

(₹ in Lacs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Balance at the beginning of the year	268.10	268.10
Movements in allowance:		
Additional provision	2.74	-
Closing balance	**270.84**	**268.10**

Additionally, the Company has written off trade receivables amounting to ₹ 0.78 Lac (PY : ₹ NIL) during the year.

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows: **(₹ in Lacs)**

Particulars	**Carrying amount**	
	31st March, 19	**31st March, 18**
India	20,809.82	12,351.51
Other regions	-	-
Total	**20,809.82**	**12,351.51**

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, derivative asset, advances to employees etc.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- Investments are made in credit worthy companies.
- Derivative instrument comprises cross currency interest rate swaps where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company does not have exposure to any credit risk.
- Loan and advances to employees (for housing advances) are majorly secured in nature and hence the Company does not have exposure to any credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lacs)

Particulars	**31st March, 2019**	**31st March, 2018**
Floating rate		
Expiring within one year (bank overdraft and other facilities)	-	74,900.00
Total	**-**	**74,900.00**

Further, the Company has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Company has a clean track record with no adverse events pertaining to liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lacs)

31st March, 2019	Carrying amount	Contractual maturities		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,28,556.28	1,52,399.23	-	1,52,399.23
Non current financial liabilities	1,919.61	4,859.89	-	4,859.89
Current financial liabilities	1,27,981.91	1,27,981.91	1,27,981.91	-
Trade payables	2,384.33	2,384.33	2,384.33	-
Total	**2,60,842.13**	**2,87,625.36**	**1,30,366.24**	**1,57,259.12**

(₹ in Lacs)

31st March, 2018	Carrying amount	Contractual maturities		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,75,948.10	2,50,950.45	-	2,50,950.45
Non current financial liabilities	1,499.62	3,022.91	-	3,022.91
Current financial liabilities	1,44,439.74	1,44,439.74	1,44,439.74	-
Trade payables	1,854.78	1,854.78	1,854.78	-
Total	**3,23,742.24**	**4,00,267.88**	**1,46,294.52**	**2,53,973.36**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

The functional currency of the company is Indian Rupees and its revenue is generated from operations in India. It is exposed to foreign currency risk arising on the LIBOR linked floating rate external commercial borrowing (ECB) denominated in Japanese Yen. The ECB has been fully hedged through cross currency interest rate swap with all critical terms mirroring the underlying ECB. Accordingly, the foreign currency exposure has been completely hedged.

This aside, the Company does not have any derivative instruments used for any other purposes.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's portfolio of borrowings comprise of a mix of fixed rate and floating rate loans which are monitored continuously in the light of market conditions.

(₹ in Lacs)

Variable-rate instruments	**31st March,19**	**31st March,18**
Non current - Borrowings	1,22,244.03	1,66,851.03
Current portion of Long term borrowings	1,05,107.18	1,26,860.08
Total	**2,27,351.21**	**2,93,711.11**
Fixed-rate instruments	**31st March,19**	**31st March,18**
Non current - Borrowings	6,312.25	9,097.07
Current portion of Long term borrowings	2,934.38	2,974.24
Total	**9,246.63**	**12,071.31**

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. Since no interest rate exposure is perceived on fixed rate loans, the same have been excluded from the sensitivity analysis. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Lacs)

Particulars	Profit or (Loss)		Equity (net of tax)	
31st March, 2019	**50 bp Increase**	**50 bp decrease**	**50 bp Increase**	**50 bp decrease**
Non current - Borrowings	(611.22)	611.22	(397.64)	397.64
Current portion of Long term borrowings	(525.54)	525.54	(341.89)	341.89
Total	**(1,136.76)**	**1,136.76**	**(739.53)**	**739.53**
31st March, 2018				
Non current - Borrowings	(834.26)	834.26	(542.73)	542.73
Current portion of Long term borrowings	(634.30)	634.30	(412.65)	412.65
Total	**(1,468.56)**	**1,468.56**	**(955.38)**	**955.38**

42. CAPITAL MANAGEMENT

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows. **(₹ in Lacs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Total Non-current liabilities	1,87,284.20	2,30,052.78
Less : Cash and bank balances	15,829.47	36,452.64
Adjusted net debt	**1,71,454.73**	**1,93,600.14**
Borrowings	2,36,597.84	3,05,782.42
Total equity	**5,74,401.08**	**5,06,504.02**
Adjusted net debt to adjusted equity ratio	**0.30**	**0.38**
Debt equity considering only borrowings as debt	**0.41**	**0.60**

43. DISCLOSURES FOR GRATUITY & LEAVE SALARY PROVISIONS AS PER INDIAN ACCOUNTING STANDARD - 19

Defined contribution plan:

Provident fund and superannuation fund benefits charged to Statement and Profit and Loss during the period are ₹ 328.73 and ₹ 168.26 respectively (PY: ₹ 216.39 and ₹ 83.92 respectively).

Defined benefit plans:

The Company has participated in Group Gratuity scheme of HDFC Standard Life Insurance Company Limited. The liability in respect of gratuity benefits, post retirement medical benefit scheme (PRMBS) & leave salary being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date. In arriving at the valuation for gratuity, medical benefits & leave salaries following assumptions were used:

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Type of fund	Funded	Unfunded	Funded	Funded	Unfunded	NA
Mortality	Indian Assured Lives Mortality (2006-08) Ult.			Indian Assured Lives Mortality (2006-08) Ult.		NA
Withdrawal rate	5% at younger age reducing to 1% at old age			5% at younger age reducing to 1% at old age		NA
Retirement Age	60 years			60 years		NA
Discount Rate	7.60%	7.60%	7.60%	7.60%	7.60%	NA
Rate of Return on Plan Assets	7.60%	0.00%	7.60%	7.60%	0.00%	NA
Salary escalation	7.00%	7.00%	0.00%	7.00%	7.00%	NA
Medical Inflation Rate	0.00%	0.00%	4.00%	0.00%	0.00%	NA

The following table sets out disclosures as required under Indian Accounting Standard 19 on "Employee Benefit". **(₹ in Lacs)**

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Table showing change in benefit obligation						
Opening defined benefit obligation	1,270.09	958.06	-	1,017.22	821.19	-
Transfer in obligation	53.82	84.10	-	2.13	-	-
Interest Cost	6.58	70.35	-	73.65	59.66	-
Current Service Cost	149.56	61.99	4.13	120.10	54.39	-
Benefit Paid	(77.50)	(38.80)	-	(33.88)	(22.36)	-
Past service cost *	334.21	-	70.67	72.13	-	-
Actuarial Loss / (gain) on Obligations	235.52	120.30	-	18.74	45.18	-
Liability at the end of the period	**1,972.28**	**1,256.00**	**74.80**	**1,270.09**	**958.06**	**-**

* For Gratuity, past service cost is in the current year is on account of change in gratuity ceiling from ₹ 20,00,000 to No ceiling.

Table showing change in Fair Value of Plan Assets						
Fair Value of Plan Assets at the beginning	1,338.56	-	-	971.41	-	-
Transfer in/(out) plan assets	53.82	-	-	2.13	-	-
Interest Income	104.51	-	0.54	70.26	-	-
Contributions	159.45	-	59.61	297.85	-	-
Benefit Paid	(64.27)	-	-	(38.36)	-	-
Actuarial gain /(loss) on Plan Assets	(42.31)	-	-	35.27	-	-
Fair Value of Plan Assets at the end of the period	**1,549.76**	**-**	**60.15**	**1,338.56**	**-**	**-**
Actual Gain / loss recognized						
Actuarial (gain) / loss on obligations						
Due to change in financial assumptions	-	-	-	(30.94)	(24.39)	-
Due to experience adjustments	235.52	120.30	-	49.68	69.57	-
Actuarial (gain) / loss on Plan Assets	42.31	-	-	(35.27)	-	-
Net Actuarial (gain) / loss recognized during year	**277.83**	**120.30**	**-**	**(16.53)**	**45.18**	**-**
Amount recognized in Balance Sheet						
Liability at the end of the period	1,972.28	1,256.00	74.80	1,270.09	958.06	-
Fair Value of Plan Asset at the end of the period	1,549.76	-	60.15	1,338.56	-	-
Net (Asset)/Liability recognized in Balance Sheet	**422.52**	**1,256.00**	**14.65**	**(68.47)**	**958.06**	**-**
Current liability / (asset)	166.54	49.60	1.22	(68.47)	64.81	-
Non-current liability / (asset)	255.98	1,206.40	13.43	-	893.25	-
Total Liability / (Asset)	**422.52**	**1,256.00**	**14.65**	**(68.47)**	**958.06**	**-**

(₹ in Lacs)

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Expense recognized						
Current Service cost	149.56	61.99	4.13	120.10	54.39	-
Interest cost	6.58	70.35	-	73.65	59.66	-
Interest income	(104.51)	-	(0.54)	(70.26)	-	-
Net Actuarial Loss / (gain) to be recognized	277.83	120.30	-	(16.53)	45.18	-
Past service costs	334.21	-	70.67	72.13	-	-
Net Expense recognized	**663.67**	**252.64**	**74.26**	**179.09**	**159.23**	**-**

Expected contribution:

The expected contribution during the next financial year are as under:

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Expected contribution during the next financial year (₹ in Lacs)	166.54	49.60	1.22	-	64.81	-
Average Outstanding Term of the Obligations (Years)	13.27	-	9.71	-	-	-
Composition of the plan assets						
Policy of insurance	100%	NA	NA	100%	NA	-
Bank balance	-	NA	100%	-	NA	-

Sensitivity Analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Lacs)

Gratuity	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: 0.5%)	1,854.74	2,100.78	1,197.30	1,349.54
Withdrawal rate - 10% (PY: 0%)	1,973.19	1,971.26	1,276.86	1,262.68
Salary growth rate - 0.5% (PY: 0.5%)	2,100.73	1,853.75	1,328.49	1,214.00
Leave salary	**2018-19**		**2017-18**	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: 0.5%)	1,178.83	1,340.66	900.91	1,020.78
Withdrawal rate - 10% (PY: 0%)	1,258.47	1,253.40	960.01	956.02
Salary growth rate - 0.5% (PY: 0.5%)	1,340.74	1,178.07	1,020.84	900.34
PRMBS	**2018-19**		**2017-18**	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: NA)	68.05	82.42	-	-
Withdrawal rate - 10% (PY: NA)	73.40	76.23	-	-
Medical Inflation rate - 0.5% (PY: NA)	82.66	67.80	-	-

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationships between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

44. EMPLOYEE STOCK OPTION PLANS

ESOP 2010 Scheme:

During the Financial Year 2010-11, the Company instituted ESOP-2010. The Board of Directors and the Shareholders approved the plan in the meeting held on 23rd August 2010 and 27th October 2010 respectively, which provides for the issue of 21,28,925 equity shares to the employees of the company. The Compensation Committee administers ESOP-2010. These ESOPs are granted at an exercise price of ₹75 per share to be vested over the period of five years and to be exercised within a period of ten years from the date of Grant. Set out below is a summary of options granted under the plan:

Particulars	31st March, 2019		31st March, 2018	
	Avg Exercise Price per share option (₹)	Number of options	Avg Exercise Price per share option (₹)	Number of options
Opening Balance	**75.00**	**3,87,958**	**75.00**	**6,36,226**
Granted during the year	75.00	-	75.00	-
Exercised during the year	75.00	(1,37,761)	75.00	(2,45,860)
Lapsed/cancelled during the year	75.00	(8,396)	75.00	(2,408)
Closing balance		**2,41,801**		**3,87,958**

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2019 was ₹ 72.45 per option (31 March 2018 - ₹ 72.45). The fair value at grant date is determined using the Binomial Model which takes into account the exercise price, the terms of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit and loss as part of employee benefit expenses were as follows:

(₹ in Lacs)

Particulars	31st March, 19	31st March ,18
Employee option plan	(6.08)	(1.13)

45. The Company has maintained a separate escrow account as per PNGRB guidelines for modalities of maintaining and operation of escrow account for charges towards system indiscipline in terms of positive or negative imbalance or overruns. In this regard, since financial year 2011-12, amount recovered from customers is deposited in the said bank account and the amount invoiced (net of taxes) is recognized as liability.

46. As at the balance sheet date, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

47. Amount due for credit to Investor Education and Protection Fund is NIL (Previous year NIL).

48. Petroleum Natural Gas Regulatory Board (PNGRB) vide its order dated 27th September 2018 has issued tariff order for final initial unit tariff to be charged by the Company for High Pressure and Low Pressure natural gas transmission pipeline. The order is effective from 1st April 2018. Further, PNGRB vide its order dated 10th December, 2018 has issued finalized zonal tariff for the Company high pressure pipeline network. The Company has implemented the said orders during the year and accordingly the revenue is recognized as per Ind AS 115 - Revenue from Contracts with Customers.

49. Transition to Ind AS 115 - Revenue from Contracts with Customers

Effective April 1, 2018, the Company has applied Ind AS 115 ""Revenue from Contracts with customers"" using the modified retrospective method of adoption. As allowed under this method, the Company has applied the revenue standard only to contracts that were not completed as of April 1, 2018. Comparative prior period has not been adjusted. The effect on adoption of Ind AS 115 was insignificant on the Company's equity as on 1st April 2018 and 31st March 2019 as well as total comprehensive income for the year ended 31 March, 2019.

50 In the opinion of management, any of the assets other than property, plant and equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT STATE PETRONET LIMITED FOR THE YEAR ENDED 31 MARCH, 2019

The preparation of consolidated financial statements of Gujarat State Petronet 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 are 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 09 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Gujarat State Petronet Limited for the year ended 31 March 2019 under Section 143 (6) (a) of the Act. We conducted a supplementary audit of the financial statements of Gujarat State Petronet Limited, Gujarat Gas Limited, GSPL India Gasnet Limited, GSPL India Transco Limited, Sabarmati Gas Limited, Guj Info Petro Limited, GSPC Pipavav Power Company Limited, Gujarat State Energy Generation Limited but did not conduct supplementary audit of the financial statements of GSPC LNG Limited for the year ended 31 March 2019. Further Section 139 (5) and 143 (6) of the act are not applicable to Gujarat Gas Limited Employees Welfare Stock Option Trust being private entity/entity incorporated in foreign country under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these Companies. 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.

Based on my supplementary audit, | would like to highlight the following significant matters under Section 143 (6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

C&AG Comment & Management response on the same is placed below.

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

Place: Ahmedabad
Date: 22nd July, 2019

(H. K. Dharmadarshi)
Principal Accountant General (E&RSA), Gujarat

C&AG's Comments on disclosure/ presentation **Consolidated Ind AS Financial Statement** **Notes to Consolidated Financial Statement**	**Explanation by the management to CAG on Annual Consolidated Account of 2018-19**
A reference is invited to the Note No. 51 of the standalone financial statement regarding tariff fixation by PNGRB. The Company was having 48 customers on which the revised tariff was applicable from 1 April 2018 retrospectively. Out of these 48 customers one customer i.e. Torrent Power Limited objected to the said retrospective billing and obtained a stay order for implementation of the PNGRB order on 10 December 2018 from the Hon'ble Gujarat High Court. Therefore, the Company was billing invoices to Torrent Power Limited at old rates i.e. ₹ 24.15 per MMBTU reading to short billing of ₹ 40.85 crores for the period 1 April 2018 to 31 March 2019. Ind AS 115 also requires the entity to disclose sufficient information regarding uncertainty of revenue. Thus, the disclosure given by the Company in Note No.51 is deficient to the above extent.	PNGRB vide its order dated 27th September 2018 has issued tariff order for final initial unit and vide its order dated 10th December, 2018 has issued finalized zonal tariff for GSPL Gas Grid. The said order is effective from 1st April, 2018 and accordingly Company had raised supplementary invoices for the period from 1 April 2018 to 30 November 2018. Since the order was retrospectively applicable, one of the customers Torrent Power Limited approached Honourable High Court of Gujarat against retrospective applicability of order. The High Court had granted interim relief to the customer Torrent Power Limited and accordingly Company was not able to raise supplementary invoice. Further since the matter was subjudice as on 31st March, 2019, Company continued invoicing to customer at old tariff rate. The above issue was sub-judice as on date of finalization of accounts. Further the point of contention was pertaining to retrospective application of order. Management believes that the High Court stay order shall not have any impact of future revenue generation. Accordingly, the Company believes disclosure in Note No. 51 is sufficient and in line with requirement of Ind AS 115. Further High Court vide its order dated 17th June, 2019 has stated that from the date of High Court Order, Torrent Power shall pay GSPL as per final PNGRB tariff order and High Court proceedings shall be carried out for retrospective applicability.

Place: Gandhinagar
Date: 2nd August, 2019

Chairman

INDEPENDENT AUDITOR'S REPORT

To,
The Members
Gujarat State Petronet Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated IND AS financial statements of GUJARAT STATE PETRONET LIMITED ('The Company') and its subsidiary (The Company and its subsidiaries together referred to as "the Group), its associates and jointly controlled companies, which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss(including other comprehensive income), the consolidated statement of changes in equity and the consolidated Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). 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 Group 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 consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March, 2019. 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.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

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

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

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

Responsibility of Management and those charged with governance for the consolidated financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled Companies 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 companies included in the Group and of its associates and jointly controlled companies are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled companies are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled companies are also responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled companies.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 ability of the Group and its associates and jointly controlled companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. We did not audit the financial results/statements and other financial information of one subsidiary, two jointly controlled companies and one associate company included in the consolidated annual financial results, whose financial statements reflect for the year ended 31st March, 2019:

(₹ in Lakh)

Name of company	Total Assets	Total Revenue	Net Cash Inflow / (Outflow)	Group Share in Net Profit/ (Loss)	Group share in Other Comprehensive Income
Subsidiary Company					
1. Gujarat Gas Limited (Including Step Down subsidiaries & Associates)	715753.00	807404.00	273.00	22665.80	(113.21)
Jointly Controlled companies:					
1. GSPL India Gasnet Limited	156513.04	2580.48	(2759.84)	(1445.83)	(3.84)
2. GSPL India Transco Limited	84552.02	165.48	(847.77)	51.23	--
Associate company					
1. Sabarmati Gas Limited	77189.95	113133.20	(244.35)	2731.46	(0.56)

These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual consolidated Ind AS financial results, to the extent they have been derived from such annual financial statements of subsidiaries is based solely on the report of such other auditors. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
   e) As the Company is a Government Company in terms of notification number: G.S.R. 463(E) dated 05th June, 2015, issued by Ministry of Corporate Affairs the sub section (2) of section 164 of the Act is not applicable.
   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, associate and jointly controlled companies. - Refer Note- 33 & 55 to the consolidated financial statements.
      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company its subsidiary, associate and jointly controlled companies incorporated in India. Refer Note- 17(ii) to the consolidated financial statements.
2. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the auditor's report on Consolidated IND AS Financial Statements.

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

Place: Ahmedabad
Date : 9th May, 2019

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated IND AS financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of **GUJARAT STATE PETRONET LIMITED** ('the Company') and its subsidiary, associate and jointly controlled companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company, its subsidiary, associate and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, one associate and two jointly controlled companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For, Anoop Agarwal & Co
Chartered Accountants
Firm Registration No. 001739C

(CA Chirag J Patel)
Partner
Membership No. 115637

Place: Ahmedabad
Date : 9th May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019

(₹ in Lacs)

Particulars	Notes	As At 31st March, 2019	As At 31st March, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	8,42,201.88	7,76,618.34
Capital Work-In-Progress	3	90,783.75	1,37,423.54
Investment Property	4	130.00	130.00
Intangible Assets	5	47,417.02	44,069.85
Intangible Assets under Development	5	37.00	-
Investment in Equity Accounted Investees	6	58,834.74	53,879.87
Financial Assets			
Investments	7	10,776.00	5,111.41
Loans	8	9,114.67	9,223.13
Other Financial Assets	9	485.06	83.50
Other Non-Current Assets	10	32,182.60	37,961.75
Total Non-Current Assets		**10,91,962.72**	**10,64,501.39**
Current Assets			
Inventories	11	19,731.65	18,024.45
Financial Assets			
Trade Receivables	12	70,031.10	50,183.60
Cash and Cash Equivalents	13	16,840.89	11,944.76
Other Bank Balances	13	30,307.58	38,519.88
Loans	8	271.90	357.88
Other Financial Assets	9	9,096.52	5,178.18
Other Current Assets	10	7,903.11	7,553.90
Total Current Assets		**1,54,182.75**	**1,31,762.65**
Total Assets		**12,46,145.47**	**11,96,264.04**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	56,397.14	56,383.36
Other Equity	15	2,73,126.15	1,86,459.02
Equity attributable to owners of the Company		**3,29,523.29**	**2,42,842.38**
Non-Controlling Interests	53	1,01,075.78	85,543.03
Total Equity		**4,30,599.07**	**3,28,385.41**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	3,37,471.28	3,97,247.10
Other Financial Liabilities	17	1,919.61	1,499.62
Provisions	18	5,858.34	4,617.08
Deferred Tax Liabilities (Net)	19	1,62,969.70	1,56,435.09
Other Non-Current Liabilities	20	8,609.08	1,485.76
Total Non-Current Liabilities		**5,16,828.01**	**5,61,284.65**
Current Liabilities			
Financial Liabilities			
Borrowings	16	-	128.00
Trade Payables	21		
Total outstanding dues of micro enterprises and small enterprises		1,302.62	1,645.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		34,848.99	28,555.18
Other Financial Liabilities	17	2,54,541.56	2,59,684.74
Other Current Liabilities	20	6,928.60	15,721.15
Provisions	18	1,096.62	593.22
Current Tax Liabilities (Net)		-	266.00
Total Current Liabilities		**2,98,718.39**	**3,06,593.98**
Total Liabilities		**8,15,546.40**	**8,67,878.63**
Total Equity and Liabilities		**12,46,145.47**	**11,96,264.04**

Significant Accounting Policies 2

The accompanying notes are integral part of the Financial Statements.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Chirag J Patel
Partner
Membership No.115637

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Ahmedabad
Date : 9th May, 2019

Place : Gandhinagar
Date : 9th May, 2019

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2019

(₹ in Lacs)

Particulars	Notes	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
INCOME :			
Revenue from Operations	22	9,55,326.26	7,42,606.65
Other Income	23	13,811.89	9,642.73
Total Income (A)		**9,69,138.15**	**7,52,249.38**
EXPENSES :			
Gas Transmission expense		10,178.45	4,776.08
Cost of materials consumed	24	5,79,774.44	4,43,362.49
Changes in inventories of natural gas	25	(105.00)	(63.00)
Excise Duty		20,814.19	16,502.00
Employee Benefit Expenses	26	22,452.91	18,221.22
Finance Costs	27	42,692.51	24,161.24
Depreciation and Amortisation Expenses	28	46,798.60	44,685.87
Other Expenses	29	68,187.33	55,416.67
Total Expenses (B)		**7,90,793.43**	**6,07,062.58**
Profit Before Tax and Exceptional Items (A-B)		**1,78,344.72**	**1,45,186.80**
Exceptional Items	41	**1,787.00**	-
Profit Before Tax		**1,76,557.72**	**1,45,186.80**
Share of profit/(loss) of joint venture and associates accounted for using the equity method (net of tax)		1,485.85	2,535.31
Tax Expenses	30		
Current Tax		55,054.88	44,478.66
(Excess)/Short Provision of Tax - Earlier Years		(3,617.24)	(790.48)
Deferred Tax		7,566.43	8,193.07
Profit After Tax for the Period		**1,19,039.50**	**95,840.86**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(326.81)	(5,198.92)
Remeasurements of post-employment benefit obligations		(589.83)	82.53
Income tax relating to these items	30	312.82	1,163.01
Share of other comprehensive income of associate/joint venture		(9.12)	5.86
Income tax relating to these items		1.72	(0.65)
Other Comprehensive Income for the Period, net of tax		**(611.22)**	**(3,948.17)**
Total Comprehensive Income for the Period		**1,18,428.28**	**91,892.69**
Profit attributable to:			
Owners of the Company		99,860.30	74,130.67
Non-Controlling Interest		19,179.20	21,710.18
Other comprehensive income attributable to:			
Owners of the Company		(515.43)	(972.70)
Non-Controlling Interest		(95.79)	(2,975.46)
Total comprehensive income attributable to:			
Owners of the Company		99,344.87	73,157.97
Non-Controlling Interest		19,083.41	18,734.72
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 10)			
Basic (₹)	31	17.71	13.15
Diluted (₹)	31	17.70	13.14
Significant Accounting Policies	2		
The accompanying notes are integral part of the Financial Statements.			

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2019

(₹ in Lacs)

Particulars	2018-19	2017-18
A Cash Flow from Operating Activities		
Profit Before Taxes	1,76,557.72	1,45,186.80
Adjustments for:		
Depreciation & amortisation	46,798.60	44,685.87
ESOP Compensation Expense	(6.08)	(1.13)
Employee benefit expenses	(1.88)	163.26
(Profit)/Loss on sale/retirement of Assets	12.07	268.40
(Profit)/Loss on sale as scrap and diminution in Capital Inventory	458.00	(53.00)
Material Shortage/(Gain)/Loss on sale of inventory	16.00	146.00
Provision for Doubtful Trade Receivables / Advances / Deposits etc.	328.00	57.00
Provision/liability no longer required written back	(291.00)	(55.00)
Interest Income	(11,981.74)	(7,849.54)
Other Non-cash Items	(173.30)	(140.07)
Finance cost	41,538.51	23,149.35
Operating Profit before Working Capital Changes	**2,53,254.90**	**2,05,557.94**
Changes in working capital:		
((Increase)/Decrease in Inventory	(1,707.20)	(2,625.49)
(Increase)/Decrease in Trade Receivable	(20,898.12)	(4,883.26)
(Increase)/Decrease in Loans	(1,310.73)	(40.90)
(Increase)/Decrease in Other Financial Assets	(4,000.27)	(82.13)
(Increase)/Decrease in Other Non-Financial Assets	(3,107.75)	(1,849.65)
Increase/(Decrease) in Trade payable	7,183.36	(1,543.88)
Increase/(Decrease) in Other Financial Liabilities	18,721.20	12,501.86
Increase/(Decrease) in Net Employee Benefit Liabilities	745.96	93.56
Increase/(Decrease) in Non-Financial Liabilities	(8,723.28)	1,304.87
Increase/(Decrease) in Provisions	656.00	(97.00)
Cash generated from Operations	**2,40,814.07**	**2,08,335.92**
Taxes Paid	(36,398.66)	(41,454.06)
Net Cash Flow from Operating Activities (A)	**2,04,415.41**	**1,66,881.86**
B Cash Flow from Investing Activities		
Deposits with original maturity of more than three months	(16,960.00)	23.00
Acquisition of investments	(9,891.40)	(3,40,542.86)
Interest Received	12,118.91	8,848.61
Dividend Received	3,120.32	1,173.92
Changes in earmarked Fixed Deposits & Current Account	24,664.37	43,639.60
Proceeds from sale of Assets	1,179.46	2,069.11
Acquisition of Property, Plant & Equipment and Change in Capital Work in Progress	(75,405.12)	(74,498.40)
Net Cash Flow from Investing Activities (B)	**(61,173.46)**	**(3,59,287.02)**
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital including Share Premium and Share appliaction money pending allotment	116.83	184.40
Proceeds from non-current borrowing	29,900.00	2,86,700.00
Repayment of non-current borrowings	(1,10,411.39)	(46,793.89)
Dividend (Including Corporate Dividend Tax) Paid	(17,961.13)	(15,172.06)
Interest & Financial Charges paid	(42,458.13)	(23,602.13)
Refund of Dividend Distribution tax	2,596.00	-
Net Cash Flow from Financing Activities (C)	**(1,38,217.82)**	**2,01,316.32**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**5,024.13**	**8,911.16**
Cash and Cash Equivalents at the beginning of the period	**11,816.76**	**2,905.60**
Cash and Cash Equivalents at the end of the period	**16,840.89**	**11,816.76**
Notes to Cash Flow Statement		
1 Cash and Cash Equivalent includes-		
Cash and Cheques on Hand	264.64	135.55
Balances with Scheduled Banks		
in Current Accounts	3,915.57	3,778.21
in Deposit Accounts	12,660.68	8,031.00
Balance in Bank Overdraft/Cash Credit Facility	-	(128.00)
	16,840.89	**11,816.76**

2. Refer Note 32 for reconciliation of financing activities.
3 . Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to this year's classification.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE PERIOD ENDED ON 31st MARCH 2019

A. Equity Share Capital

Particulars	Notes	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL Equity Shares of ₹ 10/- each fully paid up			
As at 1st April, 2017		**56,35,87,732**	**56,358.77**
Add: Equity Shares allotted pursuant to Employee Stock Option Plan	47	2,45,860	24.59
As at 31st March, 2018		**56,38,33,592**	**56,383.36**
Add: Equity Shares allotted pursuant to Employee Stock Option Plan	47	1,37,761	13.78
As at 31st March, 2019		**56,39,71,353**	**56,397.14**

B. Other Equity

(₹ in Lacs)

Particulars	Attributable to owners of the Company										Non-Controlling Interest	Total Other Equity
	Share Application Money Pending Allotment	Reserves & Surplus							Equity Instruments through Other Comprehensive Income	Total		
		Securities Premium	General reserve	Employees Stock Options Outstanding (Net)	Amalgamation & Arrangement Reserve	Capital Reserve	Capital Reserve on common control business combination	Retained earnings				
Balance at April 1, 2017	**-**	**41,062.39**	**342.37**	**385.83**	**22,659.91**	**872.95**	**(37,713.53)**	**3,70,261.66**	**(1,677.22)**	**3,96,194.36**	**1,23,511.41**	**5,19,705.77**
Profit for the year	-	-	-	-	-	-	-	74,130.67	-	74,130.67	21,710.18	95,840.85
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(997.03)	(997.03)	(3,011.09)	(4,008.12)
Items of OCI recognised directly in retained earnings												
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	-	24.33	-	24.33	35.63	59.96
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**74,155.00**	**(997.03)**	**73,157.97**	**18,734.72**	**91,892.69**
Transferred to Securities Premium on exercise of ESOPs (Note 47)	-	-	-	(115.68)	-	-	-	-	-	(115.68)	-	(115.68)
ESOP Lapsed / Cancelled (Note 46)	-	-	-	(1.14)	-	-	-	-	-	(1.14)	-	(1.14)
Dividends (Note 14)	-	-	-	-	-	-	-	(8,456.51)	-	(8,456.51)	(3,066.03)	(11,522.54)
Dividend Distribution Tax (DDT)	-	-	-	-	-	-	-	(1,938.21)	-	(1,938.21)	(624.34)	(2,562.55)
Issue of Equity Shares	-	275.49	-	-	-	-	-	-	-	275.49	-	275.49
Transactions with Non-Controlling Interest	-	-	77.26	-	24,984.04	-	-	27,239.90	(3,199.16)	49,102.04	(53,012.73)	(3,910.69)
Impact on account of common control business combination	-	-	-	-	-	-	(3,21,759.30)	-		(3,21,759.30)	-	(3,21,759.30)
Balance at March 31, 2018	**-**	**41,337.88**	**419.63**	**269.01**	**47,643.95**	**872.95**	**(3,59,472.83)**	**4,61,261.84**	**(5,873.41)**	**1,86,459.02**	**85,543.03**	**2,72,002.05**
Change in accounting policy (Note 54)	-	-	-	-	-	-	-	(2,284.57)	-	(2,284.57)	(1,697.67)	(3,982.24)
Restated balance as at 1 April 2018	**-**	**41,337.88**	**419.63**	**269.01**	**47,643.95**	**872.95**	**(3,59,472.83)**	**4,58,977.27**	**(5,873.41)**	**1,84,174.45**	**83,845.36**	**2,68,019.81**
Profit for the year	-	-	-	-	-	-	-	99,860.30	-	99,860.30	19,179.20	1,19,039.50
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(218.70)	(218.70)	(1.37)	(220.07)
Items of OCI recognised directly in retained earnings												
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	-	(296.73)	-	(296.73)	(94.42)	(391.15)

B. Other Equity

(₹ in Lacs)

Particulars	Attributable to owners of the Company										Non-Controlling Interest	Total Other Equity
	Share Application Money Pending Allotment	Reserves & Surplus							Equity Instruments through Other Comprehensive Income	Total		
		Securities Premium	General reserve	Employees Stock Options Outstanding (Net)	Amalgamation & Arrangement Reserve	Capital Reserve	Capital Reserve on common control business combination	Retained earnings				
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**99,563.57**	**(218.70)**	**99,344.87**	**19,083.41**	**1,18,428.28**
Transferred to Securities Premium on exercise of ESOPs (Note 47)	-	-	-	(87.73)	-	-	-	-	-	(87.73)	-	(87.73)
ESOP Lapsed / Cancelled (Note 47)	-	-	-	(6.08)	-	-	-	-	-	(6.08)	-	(6.08)
Dividends (Note 14)	-	-	-	-	-	-	-	(9,867.91)	-	(9,867.91)	(2,524.00)	(12,391.91)
Dividend Distribution Tax (DDT) (Net)	-	-	-	-	-	-	-	(622.23)	-	(622.23)	671.01	48.78
Issue of Equity Shares	-	177.28	-	-	-	-	-	-	-	177.28	-	177.28
Application money received during the year	13.50	-	-	-	-	-	-	-	-	13.50	-	13.50
Balance at 31 March, 2019	**13.50**	**41,515.16**	**419.63**	**175.20**	**47,643.95**	**872.95**	**(3,59,472.83)**	**5,48,050.70**	**(6,092.11)**	**2,73,126.15**	**1,01,075.78**	**3,74,201.93**
As per our report of even date attached												

Purpose Of Reserves:

(i) **Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) **General Reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(iii) **Employees Stock Options Outstanding (Net):** The Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(iv) **Amalgamation & Arrangement Reserve:** The "Amalgamation and Arrangement Reserve" created pursuant to scheme of amalgamation and arrangement is treated as free reserve based on the judgment of H'ble Gujarat High Court dated 18th April 2015 read with relevant other court decisions.

(v) **Capital Reserve:** The capital reserves denotes the reserve accounted at the time of acquisition of equity shares of associate and joint ventures.

(vi) **Capital Reserve on common control business combination:** The reserve is created on account of consolidation of Gujarat Gas Limited as a subsidiary using pooling of interest method under Appendix C to Ind AS 103 Business Combination. For details, refer note 53.

(vii) **Retained Earnings:** The amount that can be distributed by the Group as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.

(iv) **Equity Instruments through Other Comprehensive Income :** The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves.

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Ajith Kumar T R
Chief Financial Officer

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2019

1 CORPORATE INFORMATION

Gujarat State Petronet Limited (GSPL, or "The Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GSPL is a Government Company u/s 2(45) of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company, along with its subsidiaries, is referred as "the Group". The Group has further investments in joint ventures and associate.

The Group is primarily engaged in transmission of natural gas through pipeline on an open access basis from supply points to demand centers and then eventual distribution to end customers. Further, it is also engaged in generation of electricity through Windmills.

Authorization of financial statements

The Consolidated Financial Statements (the financial statements) were authorized for issue in accordance with a resolution passed in Board of Directors meeting held on 9th May, 2019.

2.1 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time). List of investee companies considered in preparation of the financial statements have been summarised below:

Name of investee companies	Relation with the Company	Proportion of effective ownership interest as at 31st March, 2019	Proportion of effective ownership interest as at 31st March, 2018
Gujarat Gas Limited (GGL) *	Subsidiary	54.17%	54.17%
Gujarat Gas Limited Employee Welfare Stock Option Trust*	Subsidiary	54.17%	54.17%
GSPL India Gasnet Limited (GIGL)	Joint Venture	52.00%	52.00%
GSPL India Transco Limited (GITL)	Joint Venture	52.00%	52.00%
Guj Info Petro Limited*	Associate	27.05%	27.05%
Sabarmati Gas Limited (SGL)	Associate	27.47%	27.47%

*Refer note 53 for details of acquisition of additional equity stake.

The financial statement have been prepared on accrual basis of accounting using historical cost convention except certain financial assets, financial liabilities and share based payment measured at fair value.

(ii) The preparation & presentation of financial statements requires management to make certain judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of consolidated financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as below:

- Useful lives of property, plant and equipment and intangible assets
- Identifying performance obligations under contracts with customers
- Timing of revenue recognition under contracts with customers
- Recognition and measurement of unbilled gas sales revenue
- Contingent liabilities and assets
- Measurement of Defined Benefit Obligations
- Provisions and contingencies
- Expected credit loss for receivables and other financial assets
- Fair valuation of investments in equity instruments of unlisted companies
- Identification of investment properties
- Current tax and Deferred tax asset / liabilities recognition
- Assessment of existence of control, joint control or significant influence over an investee

(iii) All values are rounded to the nearest rupees in Lacs, except where otherwise indicated.

(b) Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The financial statements of the subsidiaries are included in the financial statements from the date on which control commences until the date on which the control ceases.

Subsidiaries are consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. The intra-company balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use. Non-controlling interests ("NCI") which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Assessment of whether the Group has significant influence or not is made based on Ind AS 28 - Associates and joint ventures, which requires duly considering potential voting rights if any. Investments in associates are accounted for using the equity method, after initially recognised at cost.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has investments in joint ventures which are accounted using the equity method based on requirements of Ind AS 111 - Joint arrangements, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

Any excess/short of the amount of investments in associate or joint venture over the Group's portion of in net assets of associate or joint venture, at the date of investments is considered as goodwill/ capital reserve.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group'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 Group 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 Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of joint ventures and associates are similar to the Group's accounting policies, therefore, no adjustment is required for the purposes of preparation of these consolidated financial statements. The financial statements of joint ventures and associates are prepared up to the same reporting date as that of the Group i.e. 31st March 2019. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in accounting policies below.

(c) Business combination of entities under common control

Business combinations involving entities that are ultimately controlled by the same party before and after the business combination are considered as common control business combination to be accounted using the pooling of interest method which comprises of the below:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve. Acquisition related costs that the Group incurs in connection with a business combination are expensed as incurred.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee. The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to "Capital Reserve on common control business combination" and is presented separately from other capital reserves.

(d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any.

The cost of Property, Plant and Equipment comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Group has identified, reviewed, tested and determined the componentisation of the significant assets.

Assets installed at customer premises, including meters and regulators where applicable, are recognised as property plant and equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management and followed consistently.

Capital Work-in-progress (CWIP) includes expenditure that is directly attributable to the acquisition / construction of assets, which are yet to be commissioned, and project inventory.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to the consolidated statement of profit and loss when the asset is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2015 as the deemed cost.

(e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to the consolidated statement of profit and loss when the intangible asset is derecognised.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its intangible assets recognized as at 1st April, 2015 as the deemed cost.

(f) Investment properties

Investment properties comprise portions of free hold or land held under finance lease and office buildings that are held for rental of for capital appreciation or both. An investment property generates cash flow largely independently of the other assets held by the Group.

Property used in production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(g) Depreciation and Amortisation

Depreciation is provided using a method that reflect the pattern in which the asset's future economic benefits are expected to be consumed by the Group based on the useful life prescribed in Schedule II to the Companies Act 2013. City gas stations, skids, pressure regulating stations, meters and regulators are estimated to have useful life of 18 years based on technical assessment made by technical expert and management. Cost of lease-hold land is amortized equally over the period of lease.

The useful lives, residual values and method of depreciation are reviewed by the management at each financial year end and revised/adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the item of property, plant and equipment.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Assets costing up to ₹5,000/- and Books are depreciated fully in the year of purchase / capitalization.

Cost of leasehold land is amortised equally over the period of lease.

Intangible assets are amortized over their individual estimated useful lives using a method that reflect the pattern in which the asset's future economic benefits are expected to be consumed by the Group.

Right of Use is indefinite life and hence it is not amortised. However, the same is tested for impairment annually. Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

The Group has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessors under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above, as the management does not foresee non-renewal of the above lease arrangements by the lessor. Capital assets /facilities installed at the customers' premises on the land of the customers/CNG franchisee whose ownership is not with the Group have been depreciated at the useful lives specified as above.

(h) Financial instruments

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument. At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

A. Financial assets measured at amortised cost;
B. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
C. Financial assets measured at fair value through profit or loss (FVTPL); and

The Group classifies its financial assets in the above mentioned categories based on:
(i) The Group's business model for managing the financial assets, and
(ii) The contractual cash flows characteristics of the financial asset.

A. Financial assets measured at amortised cost

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

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

B. Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and

(ii) The asset's contractual cash flows represent SPPI.

C. Financial assets measured at fair value through profit or loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group has opted for an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or

B. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through 'arrangement; and either

   a. The Group has transferred substantially all the risks and rewards of the asset, or

   b. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Embedded foreign currency derivative

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Group currently does not have any such derivatives which are not closely related.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

(ii) Trade receivables & Other Financial Assets that results from Transaction are within the scope of Ind AS 115.

(iii) Lease Receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date adjusted appropriately to reflect the estimated expected losses.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortised cost as appropriate.

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

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

Subsequent measurement

A. Financial liabilities measured at amortised cost

B. Financial liabilities subsequently measured at fair value through profit or loss (FVTPL)

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and derecognition are recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is deferred as a payment for liquidity services and amortised over the period of the facility to which it relates.

Derivatives

The Group uses derivative financial instruments such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Trade and other payables

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

(i) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

All assets and liabilities for which fair value is measured or disclosed in the 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.

(j) Inventories

Inventories including stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost. Inventory of Gas held for sale under City Gas Distribution Network is valued at lower of weighted moving average cost and net realizable value.

(k) Employee Benefits

Short term employee benefits obligations:

Short-term employee benefits are recognized as an expense in the consolidated statement of Profit and Loss for the year in which related services are rendered.

Post-employment benefits and other long term employee benefits:

The Group has participated in- Group Gratuity scheme of HDFC Standard Life Insurance Company Limited /Life Insurance Corporation of India. It also contributes for post-retirement medical benefits. The liability in respect of gratuity benefits and post-retirement medical benefits, being defined benefit schemes, payable in future, are determined by actuarial valuation carried out using projected unit credit method as on the Consolidated balance sheet date and actuarial gains/(losses) after adjustment of planned assets are charged to the Other Comprehensive Income for the year. Moreover, the liability in respect of leave encashment being other long term employee benefits, payable in future, are also determined by actuarial valuation carried out using projected unit credit method as on the Consolidated balance sheet date and actuarial gains/(losses) are charged as employee benefit expenses in the Consolidated Statement of Profit and Loss for the year.

Retirement benefits in the form of provident fund and defined superannuation fund which are defined contribution schemes are accrued in accordance with statutes and deposited with respective authority/agency and charged to the Consolidated Statement of Profit and Loss account for the year, in which the contributions to the respective funds accrue.

Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Scheme. The fair value of options granted under the Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

(i) including any market performance conditions (e.g. entity's share price)

(ii) excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period); and

(iii) Including the impact of any non-vesting conditions (e.g. the requirements for employees to save or holding shares for specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

(l) Borrowing Cost

The Group is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the Consolidated Statement of Profit and Loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the Consolidated Statement of Profit and Loss. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(m) Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the time of transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are reported at exchange rate prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing at the time of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

(n) Revenue Recognition

Revenue from contracts with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Group assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Group expects to be entitled in exchange of service. The transaction price includes Excise Duty, however it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Group collects on behalf of the government.

In determining the transaction price, the Group estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs.

Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis.

Revenue from sale of Natural Gas is recognised at the point in time when the control is transferred to the customer, generally on delivery of the gas on metered/assessed measurement facility. Sales are billed bi-monthly for domestic customers, monthly/ fortnightly for commercial and non-commercial customers and fortnightly for industrial customers.

Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas to consumers from retail outlets.

Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the balance sheet date has been reflected under Contract Asset (as unbilled revenue) based on previous average consumption.

Commitments (take or pay charges) income from customers for gas sales and gas transmission is recognised on accrual basis in the period to which it relates.

In case of industrial customers, non-refundable charges for initial or additional gas connection collected from the customers is deferred over the period of contract with respective customers and in case of domestic & commercial customers is deferred over the useful life of the asset.

Revenue from sale of electricity is recognised at the point in time when control is transferred to the customer, generally on delivery at metered/assessed measurements facility.

Revenue in respect of interest/ late payment charges on delayed realizations from customers and cheque bounce charges, if any, is recognized on grounds of prudence and on the basis of certainty of collection.

Liquidated damages, if any are recognized at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the management.

Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contract with customers.

Dividend income is recognised when the right to receive the dividend is established by the reporting date.

All other revenues are recognised when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognised using effective interest rate (EIR) method.

(o) Taxation

Income taxes

Provision for current tax is calculated on the basis of the Income tax law enacted or substantively enacted at the end of the reporting period.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Taxes

Deferred tax is provided, on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in consolidated financial statements, using tax rates & laws that have been enacted or substantially enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise the same.

Deferred tax is not recognised for all taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the consolidated statement of profit and loss and shown under the head deferred tax asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the same and when the balances relate to the same taxation authority.

Current and deferred tax is recognised in the Consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilize all or part of the deferred tax asset. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will available to utilized the deferred tax asset.

(p) Impairment of non-financial assets

At each consolidated balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(q) Earnings per Share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasure shares, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dillutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dillutive potential equity shares.

(r) Provisions, Contingent Liabilities and Contingent Assets

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

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in consolidated financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(s) Leases

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

A lease is classified at the inception date as a finance lease or an operating lease.

As a lessee

Finance lease

Leases are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

At the commencement of the lease term, the Group recognises finance leases as assets and liabilities in the consolidated balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum ease payments, each determined at the inception of the lease. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Any indirect costs of the Group are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

Operating lease

Leases (including those for land) which are not classified as finance leases are considered as operating lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless either:

A. Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

B. The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

As a lessor

Finance lease

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

The Group has a scheme of providing certain assets viz mobiles, laptops, vehicles to their employees. Under the said scheme, the Group initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Group, has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value or (absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the consolidated statement of profit and loss on a straight-line basis over the lease term, unless either:

A. Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the Group are not on that basis; or

B. The payments to the Group are structured to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases. If payments to the Group vary because of factors other than general inflation, then this condition is not met.

(t) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BoD) / Managing Director / Chief Executive Officer assesses the financial performance and position of the Group, and makes strategic decisions; hence, are CODM. Refer note 41 for segment information presented.

(u) Cash and cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(v) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

The Group has provided disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(w) Insurance claims

The Group accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head “Claims Recoverable-Insurance”.
- In case insurance claim is less than carrying cost the difference is charged to consolidated statement of Profit and Loss. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to consolidated statement of Profit and Loss.

(x) Dividends

The Group recognises a liability for dividends to equity holders of the Group when the dividend is authorized and the dividend is no longer at the discretion of the Group. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(y) Event Occurring after Balance Sheet Date

Adjusting events (that provides evidence of condition that existed at the consolidated balance sheet date) occurring after the Consolidated balance sheet date are recognized in the consolidated financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the Consolidated balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors’ Report.

(z) Standard issued not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning after 1st April, 2019. The Group intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Group does not expect any significant impacts on equity or profit on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Amendments to existing Ind AS

The following amendments to existing standards are not expected to have a significant impact on the Group’s financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group when it will adopt the respective amended standards.

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Land- Free Hold	48,365.26	150.37	-	48,515.63	-	-	-	-	48,515.63	48,365.26
Land- Lease Hold (Refer (i))	5,772.44	2.00	-	5,774.44	252.27	67.09	-	319.36	5,455.08	5,520.17
Building	36,246.02	4,054.49	-	40,300.51	5,499.16	1,858.36	-	7,357.52	32,942.99	30,746.86
Plant & Equipment	8,35,598.25	1,02,097.95	879.00	9,36,817.20	1,53,238.16	40,159.54	314.00	1,93,083.70	7,43,733.50	6,82,360.09
Communication Equipment	5,268.32	417.61	-	5,685.93	2,393.62	571.12	-	2,964.74	2,721.19	2,874.70
Electrical Installation & Equipment	7,800.50	2,312.29	0.82	10,111.97	4,091.89	1,064.66	0.65	5,155.90	4,956.07	3,708.61
Computers	3,567.85	1,482.58	30.03	5,020.40	2,591.99	417.69	28.00	2,981.68	2,038.72	975.86
Furniture & Fittings	2,323.61	80.48	1.00	2,403.09	1,155.84	230.83	-	1,386.67	1,016.42	1,167.77
Office Equipment	1,901.23	196.71	12.00	2,085.94	1,403.51	181.57	11.00	1,574.08	511.86	497.72
Vehicles	1,156.92	43.00	135.00	1,064.92	758.78	118.23	120.00	757.01	307.91	398.14
Books	33.59	-	-	33.59	33.59	-	-	33.59	-	-
Ship / Boat	6.33	-	-	6.33	3.17	0.65	-	3.82	2.51	3.16
Total Property, Plant and Equipment	**9,48,040.32**	**1,10,837.48**	**1,057.85**	**10,57,819.95**	**1,71,421.98**	**44,669.74**	**473.65**	**2,15,618.07**	**8,42,201.88**	**7,76,618.34**
Capital Work In Progress	-	-	-	-	-	-	-	-	90,783.75	1,37,423.54
Total	**9,48,040.32**	**1,10,837.48**	**1,057.85**	**10,57,819.95**	**1,71,421.98**	**44,669.74**	**473.65**	**2,15,618.07**	**9,32,985.63**	**9,14,041.88**
Previous Year	**8,96,294.54**	**54,422.13**	**2,676.35**	**9,48,040.32**	**1,30,265.87**	**42,659.64**	**1,507.51**	**1,71,421.98**	**9,14,041.88**	**8,85,153.35**

(i) Leased Assets

The land is obtained under finance lease and the lease term is generally more than 50 years.

(ii) Contractual Obligations

Refer Note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Below items of property, plant and equipment are added on account of acquistion of additional stake in Gujarat Gas Limited accounted as common control business combination. The below details are as on 1 April 2017. For details, refer Note 53.

Particulars	Gross carrying value	Accumulated Depreciation	Net carrying value
Land- Free Hold	38,403.00	-	38,403.00
Land- Lease Hold (Refer (i))	3,685.00	144.00	3,541.00
Building	17,769.00	1,392.00	16,377.00
Plant & Equipment	4,89,478.00	87,696.00	4,01,782.00
Computers	3,261.00	2,316.00	945.00
Furniture & Fittings	1,892.00	821.00	1,071.00
Office Equipment	1,923.00	1,349.00	574.00
Vehicles	1,175.00	698.00	477.00
Books	10.00	10.00	-
Ship / Boat	-	-	-
Total Property, Plant and Equipment	**5,57,596.00**	**94,426.00**	**4,63,170.00**
Capital Work In Progress	**-**	**-**	**50,490.00**
Total	**5,57,596.00**	**94,426.00**	**5,13,660.00**

4. INVESTMENT PROPERTIES

(₹ in Lacs)

	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
Particulars	**Cost As on 1-Apr-18**	**Additions/ Adjustments during the year**	**Deduction during the year**	**Balance As on 31-Mar-19**	**Balance As on 1-Apr-18**	**Additions/ Adjustments during the year**	**Deduction during the year**	**Balance As on 31-Mar 19**	**As on 31-Mar-19**	**As on 31-Mar-18**
Freehold land	130.00	-	-	130.00	-	-	-	-	130.00	130.00
Total Investment Properties	130.00	-	-	130.00	-	-	-	-	130.00	130.00
Previous Year	130.00	-	-	130.00	-	-	-	-	130.00	130.00

(i) Amount recognised in profit and loss for investment properties: **(₹ in Lacs)**

Particulars	**2018-19**	**2017-18**
Rental income	26.00	14.00
Profit from investment properties	**26.00**	**14.00**

The Group had recognized the rental - facilitation fees of on Investment property for the financial year 2016-17 and 2017-18 on the basis of provisional working of rental -facilitation fees submitted by tenants. As the Group is defending the issue of valuation of land for rental -facilitation fees with tenants and not recognize the rental -facilitation fees on fair value of land because no such decision is arrived at by both the parties (company & tenants) till end of the financial year.

On similar line, the Group has recognized rental -facilitation fees on Investment property for in the financial year 2018-19 on the basis previous year working and considering no further working of rental -facilitation fees has been submitted by tenants for the financial year 2018-19.

(ii) Contractual Obligations

The Group has no contractual obligations to purchase, construct or develop investment property or for its repair, maintenance or enhancements.

(iii) Leasing Arrangements

The investment property is leased to tenants under long term operating leases with rentals payable annually. The lease period is 10 years (extendable as mutually agreed). Either party can terminate the agreement by giving 6 months notice (Non cancellable period). The future minimum lease payments receivables for 6 months can not be determined as the amount of rent is dependent on various other factors.

(iv) Fair Value **(₹ in Lacs)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Investment properties	240.00	240.00

The Group obtains independent valuations for its investment properties once in every three years. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group consider information from a variety of sources including:

1. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

2. Discounted cash flow projections based on reliable estimates of future cash flows; and

3. Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by based on independent valuer's valuation certificate. The main inputs used are the rental growth rates, jantry value guideline and sales comparison approach based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in Level 3.

(v) Below items of investment properties are added on account of acquistion of additional stake in Gujarat Gas Limited accounted as common control business combination. The below details are as on 1 April 2017. For details, refer Note 53 .

(₹ in Lacs)

Particulars	**Gross carrying value**	**Accumulated Depreciation**	**Net carrying value**
Freehold land	130.00	-	130.00

5. INTANGIBLE ASSETS

(₹ in Lacs)

	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
Particulars	**Cost As on 1st April, 18**	**Additions/ Adjustments during the year**	**Deduction during the year**	**Balance As on 31-Mar 19**	**Balance As on 1-Apr-18**	**Additions/ Adjustments during the year**	**Deduction during the year**	**Balance As on 31-Mar19**	**As on 31-Mar-19**	**As on 31-Mar-18**
Software and other intangibles	9,365.29	922.98	-	10,288.27	6,101.83	997.96	-	7,099.79	3,188.48	3,263.46
Right of use / Right of way*	43,937.70	4,695.05	158.00	48,474.75	3,131.31	1,130.90	16.00	4,246.21	44,228.54	40,806.39
Total Intangible Assets	**53,302.99**	**5,618.03**	**158.00**	**58,763.02**	**9,233.14**	**2,128.86**	**16.00**	**11,346.00**	**47,417.02**	**44,069.85**
Previous Year	**48,092.23**	**5,392.76**	**182.00**	**53,302.99**	**7,383.91**	**2,026.23**	**178.00**	**9,232.14**	**44,069.85**	**40,708.32**

Intangible assets under development

(₹ in Lacs)

Particulars	**31st March, 19**	**31st March, 18**
Software under development	37.00	-
Total	**37.00**	**-**

(i) Contractual Obligations

Refer Note 34 for disclosure of contractual commitments for the acquisition of intangible assets.

(ii) Right of Way:

Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

(iii) Right of use (ROU):

The Group acquires the 'right of use' (hereinafter referred to as 'ROU') for the purpose of laying and maintenance of the underground pipeline and vests in the Group and the Group has the right to use the same in the manner for which it has been acquired. The acquisition of ROU is governed by the legal process as per the Act, the Group has paid the compensation /consideration of the ROU - land determined by the competent authority under the Act and any person authorised by the Group, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline. The Group has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Right of Use has an indefinite life and hence it is not amortised. However, the same is tested for impairment annually.

*Includes RoU of ₹ 11,235.26 Lacs (31st March 2018: ₹ 10,931.33 Lacs)

(v) Below items of intangible assets are added on account of acquistion of additional stake in Gujarat Gas Limited accounted as common control business combination. The below details are as on 1 April 2017. For details, refer Note 53 .

(₹ in Lacs)

Particulars	**Gross carrying value**	**Accumulated Amortisation**	**Net carrying value**
Software and other intangibles	7,845.00	5,125.00	2,720.00
Right of use / Right of way	26,176.00	1,897.00	24,279.00
Total Intangible Assets	**34,021.00**	**7,022.00**	**26,999.00**

6. INVESTMENT IN EQUITY ACCOUNTED INVESTEES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
unquoted		
Investments in equity shares of joint venture companies		
24,02,50,060 (31st March, 2018: 20,12,50,060) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Gasnet Limited	22,918.35	20,468.02
19,81,20,000 (31st March, 2018: 19,81,20,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Transco Limited	20,229.66	20,178.43
Investment in equity shares of associate companies		
54,93,070 (31st March, 2018: 54,93,070) Fully Paid Up Equity Shares of ₹ 10 each of Sabarmati Gas Limited	13,080.73	10,765.42
25,000 (31st March, 2018: 25,000) Fully Paid up Equity Shares of ₹ 10 each of Guj Info Petro Limited	2,606.00	2,468.00
Total	**58,834.74**	**53,879.87**
Aggregate value of quoted investments	-	-
Market value of quoted investment	-	-
Aggregate value of unquoted investments	**58,834.74**	**53,879.87**

* Refer note 55 for details of equity accounted investees.

7. INVESTMENTS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investment in unquoted equity shares of other companies measured at fair value through other comprehensive income (FVOCI)*		
2,50,00,000 (31st March, 2018: 2,50,00,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPC LNG Limited	2,500.00	2,843.94
62,50,000 (31st March, 2018: 62,50,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat State Energy Generation Limited	681.68	660.55
2,00,00,000 (31st March, 2018: 2,00,00,000) Fully Paid Up Equity Shares of ₹ 1 each of Gujarat State Petroleum Corporation Limited	1,602.00	1,606.00
200 (31st March, 2018: 200) Fully Paid Up Equity Shares of ₹ 25 each of Kalupur Co Op Comm Bank Limited	0.05	0.05
5,99,22,659 (31st March 2018: 8,730) Fully Paid Up Equity Shares of Rs. 10/- each of Swan LNG Private Limited	5,992.27	0.87
Total Non-Current Investments	**10,776.00**	**5,111.41**

(i) Investments measured at Fair Value Through Other Comprehensive Income (FVOCI) reflect investments in unquoted equity securities.

* Refer note 44 - Financial instruments, fair values and risk measurement.

Aggregate value of unquoted investments	**10,776.00**	**5,111.41**

8. LOANS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security deposit (Refer (i))		
Unsecured - considered good	7,977.42	7,973.52
Unsecured - considered doubtful	1,206.00	1,016.00
Less: Allowance for bad and doubtful	(1,206.00)	(1,016.00)
Housing building advance to employees		
Secured, considered good	1,051.97	1,121.69
Other loans and advances to employees		
Unsecured, considered good**	85.28	127.92
Total Non-Current Loans	**9,114.67**	**9,223.13**
Current		
Security deposit given (Unsecured - considered good)	1.04	58.84
Housing building advance to employees		
Secured, considered good	91.07	85.45
Other loans and advances to employees		
Unsecured, considered good**	179.79	213.59
Total Current Loans	**271.90**	**357.88**

* Refer note 44 - Financial instruments, fair values and risk measurement

** No loans are credit impaired and there is no significant increase in credit risk of loans.

(i) Security deposits

The Group has given refundable security deposits in form of fixed deposits to various project authorities to be held in their name and custody. It will be refunded after satisfactory completion of work. The Group has therefore shown these fixed bank deposits amounting ₹ 4,054 Lacs - (31st March, 2018: ₹ 4,270 Lacs) and interest accrued on such fixed bank deposits ₹ 740 Lacs (31st March, 2018: ₹ 661 Lacs), till they are in custody with project authorities as "Security Deposits".

9. OTHER FINANCIAL ASSETS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Balance in escrow A/c-PNGRB [Incl. TD]	274.79	-
Fixed deposits with original maturity of more than 12 month	16.17	-
Other Receivables		
Unsecured - considered doubtful	36.00	36.00
Less: Allowance for bad and doubtful	(36.00)	(36.00)
Receivable from employees (Secured - considered good)	194.10	83.50
Total Non-Current Other Financial Assets	**485.06**	**83.50**
Current		
Receivable from employees (Secured - considered good)	131.38	21.03
Derivative asset (i)	43.24	23.96
Advances for gratuity	-	68.47
Others	8,921.90	5,064.72
Total Current Other Financial Assets	**9,096.52**	**5,178.18**

* Refer note 44 - Financial instruments, fair values and risk measurement

(i) Derivative assets

The Group has entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk. Refer Note 44 for details.

10. OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Capital advances (Unsecured - considered good)	7,454.77	2,763.32
Capital advances (Credit Impaired)	93.00	64.00
Less: Allowance for bad and doubtful	(93.00)	(64.00)
Balances with Government Authorities	11,126.39	9,927.39
Advance income tax and TDS (net of provision)	5,426.22	19,464.20
Payment under protest	1.00	1.00
Prepaid expenses	7,133.69	5,464.73
Deferred employee cost	1,037.53	338.11
Others	3.00	3.00
Total Non-Current Assets	**32,182.60**	**37,961.75**
Current		
Balances with Government Authorities	3,692.75	4,525.30
Prepaid expenses	2,307.37	2,168.62
Other advances	1,440.43	621.36
Deferred employee cost	462.56	238.62
Total Current Assets	**7,903.11**	**7,553.90**

11. INVENTORIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Stores & spares	5,938.97	5,538.47
Natural gas	551.78	444.36
Deferred delivery-Natural gas (Goods in transit)	2,742.00	1,644.00
Line pack gas	10,498.90	10,397.62
Total Inventories	**19,731.65**	**18,024.45**

*For mode of valuation, refer note 2 (j) of significant accounting policies.

12. TRADE RECEIVABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Secured, considered good	11,755.00	9,268.00
Unsecured, considered good**	58,276.10	40,915.60
Unsecured, considered doubtful	922.84	811.10
Less: Provision for doubtful debts	(922.84)	(811.10)
Total Trade Receivables	**70,031.10**	**50,183.60**

* Refer note 44 - Financial instruments, fair values and risk measurement

** Out of this, ₹ 42,519 Lac (PY: ₹ 25,911 Lacs) are backed by bank guarantee.

Trade receivables from related parties:

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 1st March, 2018
Trade receivables from related parties	1,281.85	620.41

13. CASH AND OTHER BANK BALANCES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks/financial institutions		
In current accounts	3,915.57	3,778.21
Deposit with original maturity of less than 3 months	12,660.68	8,031.00
Cash on hand	264.64	135.55
Total Cash and Cash Equivalents	**16,840.89**	**11,944.76**
Other Bank Balances		
Earmarked balances with banks		
Unpaid dividend account (i)	343.13	358.38
Balance in escrow A/c-PNGRB [Incl. TD]	4,105.12	4,017.27
Fixed Deposit		
Margin money deposit - bank guarantee / letter of credit	4,036.41	29,876.66
With original maturity of more than 12 months	-	15.02
With original maturity of more than 3 months but less than 12 months	21,822.92	4,252.55
Total Bank Balance other than Cash and Cash Equivalents	**30,307.58**	**38,519.88**

* Refer note 44 - Financial instruments, fair values and risk measurement

(i) The balances in dividend accounts are not available for use by the Group and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

14. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1st April, 2017	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2018	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2019	**70,00,00,000**	**70,000.00**

Particulars	Notes	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Equity shares of ₹ 10/- each fully paid up			
As at 1st April, 2017		**56,35,87,732**	**56,358.77**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	47	2,45,860	24.59
As at 31st March, 2018		**56,38,33,592**	**56,383.36**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	47	1,37,761	13.78
As at 31st March, 2019		**56,39,71,353**	**56,397.14**

Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2019, the amount of dividend per share recognised as distribution to equity shareholders is ₹ 1.75 per share (31st March 2018: ₹ 1.5 per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by parent company and ultimate parent company and their subsidiaries / associates:

Particulars	As at 31st March, 2019	As at 31st March, 2018
21,23,05,270/- Equity Shares held by parent company - Gujarat State Petroleum Corporation Ltd. (As at 31 March, 2018: 21,23,05,270/-)	21,230.53	21,230.53

Details of shareholder(s) holding more than 5% equity shares

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of Equity Shares		
Gujarat State Petroleum Corporation Limited	21,23,05,270	21,23,05,270
Gujarat Maritime Board	3,70,88,000	3,70,88,000
% Holding in Equity Shares		
Gujarat State Petroleum Corporation Limited	37.64%	37.65%
Gujarat Maritime Board	6.58%	6.58%

Detail of shares reserved for issue under Employee Stock Option Plan (ESOP)

For details of shares reserved for issue under the Employees Stock Option Plan (ESOP) 2010 of GSPL, refer Note 47.

15. OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment	13.50	-
Securities Premium	41,515.16	41,337.88
General Reserve	419.63	419.63
Employees Stock Options Outstanding (Net)	175.20	269.01
Amalgamation & Arrangement Reserve	47,643.95	47,643.95
Capital Reserve	872.95	872.95
Capital Reserve on common control business combination	(3,59,472.83)	(3,59,472.83)
Retained Earnings	5,48,050.70	4,61,261.84
Equity Instruments through Other Comprehensive Income	(6,092.11)	(5,873.41)
Total Other Equity	**2,73,126.15**	**1,86,459.02**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment		
Opening balance	-	-
Add: Received during the period	13.50	-
Closing balance	**13.50**	**-**
Securities premium		
Opening balance	41,337.88	41,062.39
Add: Addition during the Year	177.28	275.49
Closing balance	**41,515.16**	**41,337.88**
General Reserve		
Opening balance	419.63	342.37
Add: Transaction with Non-Controlling Interest	-	77.26
Closing balance	**419.63**	**419.63**
Employees Stock Options Outstanding (Net)		
Gross compensation for ESOPs granted	1,125.94	1,125.94
Less: Transferred to securities premium on exercise of ESOPs	599.55	511.82
Less: ESOP lapsed / cancelled	351.19	345.11
Closing balance	**175.20**	**269.01**

Refer Note 47 for ESOP details.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Amalgamation & Arrangement Reserve		
Opening balance	47,643.95	22,659.91
Add: Transaction with Non-Controlling Interest	-	24,984.04
Closing balance	**47,643.95**	**47,643.95**
Capital Reserve		
Opening balance	872.95	872.95
Add: Addition during the Year	-	-
Closing balance	**872.95**	**872.95**
Capital Reserve on common control business combination		
Opening balance	(3,59,472.83)	(37,713.53)
Add: Addition during the Year	-	(3,21,759.30)
Closing balance	**(3,59,472.83)**	**(3,59,472.83)**
Retained Earnings		
Opening balance	4,61,261.84	3,70,261.66
Add:		
Profit during the period	99,860.30	74,130.67
Transaction with Non-Controlling Interest	-	27,239.90
Remeasurement of post employment benefit obligation, net of tax	(296.73)	24.33
Less:		
Accounting policy change on adoption of Ind AS 115	(2,284.57)	-
Equity dividend	(9,867.91)	(8,456.51)
Difference in dividend on equity share	-	-
Tax on dividend	(2,028.38)	(1,938.21)
Refund of Dividend distribution tax	1,406.15	-
Closing balance	**5,48,050.70**	**4,61,261.84**
Equity Instruments through Other Comprehensive Income		
Opening balance	(5,873.41)	(1,677.22)
Increase/(decrease) fair value of FVOCI equity instruments	(324.98)	(1,324.43)
Income tax on net fair value gain or loss	106.28	327.40
Transaction with Non-Controlling Interest	-	(3,199.16)
Closing balance	**(6,092.11)**	**(5,873.41)**

16. BORROWINGS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loan from banks	2,36,549.99	2,45,835.52
Term loan from financial institutions	9,246.63	12,071.31
Unsecured		
Term loan from financial institutions	2,12,112.22	2,80,569.59
Total Borrowings (A)	**4,57,908.84**	**5,38,476.42**
Current Maturities of Borrowings**		
Secured		
Term loan from banks	15,390.96	14,352.16
Term loan from financial institutions	2,934.38	2,974.24
Unsecured		
Term loan from financial institutions	1,02,112.22	1,23,902.92
Current Maturities of Borrowings (B)	**1,20,437.56**	**1,41,229.32**
Non-Current Borrowings (A-B)	**3,37,471.28**	**3,97,247.10**

Current Borrowings

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loan from Banks (Cash credit / Bank Overdraft)	-	128.00
Total Current Borrowings	**-**	**128.00**

* Refer note 44 - Financial instruments, fair values and risk measurement

** Disclosed under 'Other Current Financial Liabilities' (Refer Note 17)

Term loan from banks and financial institutions are secured by first pari-passu charge on all Intangible and Tangible assets including investment property (except 36" pipeline from Hazira to Mora, RoU / ROW rights), Capital Work in Progress, operating cash flows, Book Debts and Other Movables and second pari -passu charge on Present & Future Current Assets (financial and non financial assets) of the Group. The working capital lenders will have first charge pari passu on the current assets.

For foreign currency loan, the Group has entered in to cross currency swap and interest rate swap in order to hedge its foreign currency risks in full.

Maturity Profile and Rate of Interest of Term Loans

Terms of repayment	No. of Installments due	Interest rate	Maturity	2018-19		2017-18	
				Non-current	Current	Non-current	Current
Quarterly installments	13	7.86%	Apr-22	6,328.13	2,812.50	9,140.63	2,812.50
Half yearly installments	3	1 Year GSEC + 2.175%	Aug-20	603.27	1,206.55	1,809.82	1,206.55
Quarterly installments	32	1 Year MCLR	Mar-27	11,664.00	1,668.00	8,433.33	1,666.67
Yearly installments	2	8.25%	Mar-21	93,333.33	93,333.33	1,56,666.67	1,23,333.33
Yearly installments	3	8.25%	Mar-22	16,666.66	8,333.33	-	-
Quarterly installments	35	8.75%	Dec-27	48,809.00	2,763.00	51,599.00	2,762.00
Quarterly installments	34	8.59%	Sep-27	1,51,106.00	8,631.00	1,59,740.00	8,630.00
Quarterly installments	40	8.60%	Mar-29	9,000.00	1,002.00	10,000.00	2.00
Grand Total				**3,37,510.39**	**1,19,749.71**	**3,97,389.45**	**1,40,413.05**

17. OTHER FINANCIAL LIABILITIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Non-Current</u>		
Security deposit from customers	1,919.61	1,499.62
Total Non-Current Other Financial Liabilities	**1,919.61**	**1,499.62**
<u>Current</u>		
Security deposit from customers	95,052.71	83,654.88
Current maturities of non-current borrowings	1,20,437.56	1,41,229.32
Other payables (including for capital goods and services)		
Total outstanding dues of micro enterprises and small enterprises	3,350.34	1,164.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,665.90	24,312.58
Earnest money deposit	67.31	108.40
Deposits from suppliers and others	2,693.00	2,727.00
Dividend payable / unclaimed	344.13	358.38
Imbalance, overrun & other charges - PNGRB	3,912.61	3,621.18
Other financial liabilities		
BG Asia Pacific Holdings Limited (iii)	46,478.00	46,478.00
Less : Amount deposited in Escrow Account with Citi Bank	(46,478.00)	(46,478.00)
Others	18.00	2,509.00
Total Current Other Financial Liabilities	**2,54,541.56**	**2,59,684.74**

* Refer note 44 - Financial instruments, fair values and risk measurement

(i) Security deposit from customers

The Group obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.

(ii) The balance with the bank for unpaid dividend is not available for use by the Group and the money remaining unpaid will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 after the expiry of seven years from the date of declaration of dividend. No amount is due at the end of the period for credit to Investors education and protection fund.

(iii) The Group deposited ₹ 46,478 Lacs on 12th June, 2013 into the escrow account ("named BG Asia Pacific Holdings Pte. Limited GSPC Distribution Networks Limited Escrow Account") opened with Citibank N.A. , acting as the escrow agent, pursuant to the escrow agreement executed between the BG Asia Pacific Holdings Pte. Limited (the Seller), Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited) (the Purchaser) and Citibank N.A. The Payment of said amount into Escrow Account is to be utilized to meet future tax withholding liability (if any) based on outcome of the applications to the Authority for Advance Rulings or otherwise to be remitted to BG Asia Pacific Holdings Pte. Limited (the Seller) directly.

18. PROVISIONS

(₹ in Lacs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Non-Current		
Provision for employee benefits	5,443.81	4,233.25
	5,443.81	**4,233.25**
Other Provision		
Provision for decommissioning obligations	414.53	383.83
	414.53	**383.83**
Total Non-Current Provisions	**5,858.34**	**4,617.08**
Current		
Provision for employee benefits	1,096.62	593.22
Total Current Provisions	**1,096.62**	**593.22**

(i) Movements in Other Provisions

Particulars	**Provision for decommissioning obligations**	**Total**
At 1 April 2018	383.82	383.82
Add: Unwinding of discounts (accounted as finance cost)	30.71	30.71
At 31 March 2019	**414.53**	**414.53**

For movements in provisions for employee benefits, refer Note 46.

(ii) Provision for Decommissioning Obligations

Refer accounting policies 2 (r)

19. DEFERRED TAX LIABILITIES (Net)

(₹ in Lacs)

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Property, plant and equipment	1,66,126.04	1,58,980.19
Financial liabilities measured at amortised cost	1,086.22	621.04
Investments in equity instruments measured at FVOCI	310.00	311.00
Undistributed resereves of equity accounted investees	2,546.81	2,042.87
Financial assets measured at amortised cost	301.73	-
Total Deferred Tax Liabilities (A)	**1,70,370.80**	**1,61,955.10**
Deferred Tax Assets		
Provisions for employee benefits	1,993.54	1,524.78
Financial liabilities measured at amortised cost	941.79	462.34
Financial assets measured at amortised cost	304.46	-
Investments in equity instruments measured at FVOCI	328.82	223.08
Provision for decommissioning obligations	144.85	134.12
Provisions - Others	836.64	737.69
Tax Credit	-	2,070.00
Others	2,851.00	368.00
Total Deferred Tax Assets (B)	**7,401.10**	**5,520.01**
Net Deferred Tax Liabilities (A-B)	**1,62,969.70**	**1,56,435.09**

(i) Movements in Deferred Tax Liabilities/(Assets)(net)

Particulars	Property, plant and equipment	Financial liabilities measured at amortised cost (Net)	Undistributed resereves of equity accounted investees	Provisions for employee benefits	Investments in equity instruments measured at FVOCI (Net)	Provision for decom-missioning obligations	Financial assets measured at amortised cost	Provisions - Others	Tax Credit	Others	Net Deferred Tax Liabilities
At 1 April 2017	**1,51,438.59**	**218.16**	**1,553.28**	**(1,393.05)**	**1,278.71**	**(116.29)**	**-**	**(948.01)**	**(4,244.00)**	**(557.00)**	**1,47,230.38**
Charged/(credited)											
- to profit or loss	7,541.60	(59.45)	489.59	(160.16)	-	(17.83)	-	210.32	-	189.00	8,193.07
- to other comprehensive income	-	-	-	28.43	(1,190.79)	-	-	-	-	-	(1,162.36)
- Others	-	-	-	-	-	-	-	-	2,174.00	-	2,174.00
At 31 March 2018	**1,58,980.19**	**158.70**	**2,042.87**	**(1,524.78)**	**87.92**	**(134.12)**	**-**	**(737.69)**	**(2,070.00)**	**(368.00)**	**1,56,435.09**
Charged/ (credited)											
- to profit or loss	7,145.85	(14.27)	503.94	541.32	-	(10.73)	(2.73)	(98.95)	-	(498.00)	7,566.43
- to other comprehensive income	-	-	-	(206.08)	(106.74)	-	-	-	-	-	(312.82)
- Others	**-**	**-**	**-**	**(804.00)**	**-**	**-**	**-**	**-**	**2,070.00**	**(1,985.00)**	**(719.00)**
At 31 March 2019	**1,66,126.04**	**144.43**	**2,546.81**	**(1,993.54)**	**(18.82)**	**(144.85)**	**(2.73)**	**(836.64)**	**-**	**(2,851.00)**	**1,62,969.70**

(ii) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	2018-19	2017-18
Accounting Profit before income tax expenses	1,76,557.72	1,45,186.80
Tax expenses at statutory tax rate of 34.944% (2017-18 - 34.608%)	**61,696.33**	**50,246.25**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Items having no tax consequences / others	1,483.31	1,738.43
Undistributed reserves of equity accounted entities	503.94	489.59
Chapter VI deductions	(1,035.27)	(1,254.93)
Change in tax rate	(27.00)	1,452.40
Short/(Excess) provisions of tax - earlier years	(3,617.24)	(790.48)
Tax Expenses at effective income tax rate of 33.420% (2017-18: 35.734%)	**59,004.07**	**51,881.26**

(iii) Items of Other Comprehensive Income

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Unrealised gain/(loss) on FVOCI equity securities	106.74	1,190.79
Net (loss)/gain on remeasurements of defined benefit plans	206.08	(27.78)
Share of other comprehensive income of associate/joint venture	1.72	(0.65)
Income tax charged to OCI	**314.54**	**1,162.36**

20. OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Revenue received in advance	8,416.99	1,151.92
Others	192.09	333.84
Total Non-Current Liabilities	**8,609.08**	**1,485.76**
Current		
Revenue received in advance	2,396.79	1,867.91
Statutory taxes payable	3,534.13	2,379.41
Others	997.68	11,473.83
Total Current Liabilities	**6,928.60**	**15,721.15**

21. TRADE PAYABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	1,302.62	1,645.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	34,848.99	28,555.18
Total Trade Payables	**36,151.61**	**30,200.87**

*** Refer note 44 - Financial instruments, fair values and risk measurement**

21.1 Information in respect Micro, Small and Medium Enterprises Development Act, 2006; the Group had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount remaining unpaid at the end of the period	4,823.32	2,952.69
Interest due thereon remaining unpaid at the end of the period	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the period	2.00	2.00
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

22. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	2018-19	2017-18
Revenue from contracts with customers		
Revenue from transportation of gas (net)	1,54,594.07	1,04,174.49
Sale of Product (Including excise duty)	7,92,814.03	6,29,925.59
Revenue from sale of electricity (net)	4,172.64	3,728.29
Other operating revenues		
Connectivity charges	1,879.52	3,170.50
Other	1,866.00	1,607.78
Total Revenue from Operations	**9,55,326.26**	**7,42,606.65**

(₹ in Lacs)

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	2018-19
Revenue as per contracted price	**9,55,373.60**
Adjustments	
Discounts	(47.34)
Revenue from contract with customers	**9,55,326.26**

23. OTHER INCOME

(₹ in Lacs)

Particulars	2018-19	2017-18
Other non-operating income	1,830.15	1,793.19
Interest income		-
Fixed deposits with banks	4,285.93	6,056.73
Other interest income*	7,695.81	1,792.81
Total Other Income	**13,811.89**	**9,642.73**

*Includes interest income on deposits, staff advances, employee loans and delayed payments from customers.

24. COST OF MATERIALS CONSUMED (₹ in Lacs)

Particulars	2018-19	2017-18
Inventory at the beginning of the year	0.36	-
Add: Purchases during the year	30.55	-
Natural Gas-Consumed	5,74,572.00	4,43,519.00
Gas Transportation Charges	6,271.31	1,487.49
Less: Deferred delivery of natural gas (GIT)	(1,097.00)	(1,644.00)
Less: Inventory at the end of the year	(2.78)	-
Total Cost of Materials Consumed	**5,79,774.44**	**4,43,362.49**

25. CHANGES IN INVENTORIES OF NATURAL GAS (₹ in Lacs)

Particulars	2018-19	2017-18
Inventory at the beginning of the year	444.00	381.00
Less: Inventory at the end of the year	(549.00)	(444.00)
Total Changes in Inventories	**(105.00)**	**(63.00)**

26. EMPLOYEE BENEFIT EXPENSES (₹ in Lacs)

Particulars	2018-19	2017-18
Salaries and wages		
Salaries and allowances	17,738.04	14,972.86
Leave salary	1,202.64	571.23
Contribution to provident and other funds	2,317.46	1,792.79
ESOP compensation expenses	(6.08)	(1.13)
Staff welfare expenses	1,200.85	885.47
Total Employee Benefit Expenses	**22,452.91**	**18,221.22**

27. FINANCE COSTS (₹ in Lacs)

Particulars	2018-19	2017-18
Interest on borrowings	40,356.27	22,273.62
Unwinding of discount on provisions	30.71	28.43
Unwinding of transaction costs incurred on borrowings	77.02	183.57
Other borrowing costs (includes bank charges, etc.)	2,228.51	1,675.62
Total Finance Costs	**42,692.51**	**24,161.24**

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings during the year. Rate of interest considered is NIL.(Previous year 8.07%). Further, for specific borrowings, the borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s). The weighted avg. rate of such borrowings used for projects is 8.27% for FY 2018-19 [P.Y. : 8.90%].

28. DEPRECIATION AND AMORTISATION EXPENSES (₹ in Lacs)

Particulars	2018-19	2017-18
Depreciation for property, plant and equipment	44,669.74	42,659.64
Amortisation for intangible assets	2,128.86	2,026.23
Total Depreciation and Amortisation Expenses	**46,798.60**	**44,685.87**

29. OTHER EXPENSES

(₹ in Lacs)

Particulars		2018-19	2017-18
Operation & Maintenance Expenses			
Maintenance contracts		1,847.41	1,875.01
Payment to outsourced persons		810.31	647.90
Security service charges		1,178.26	1,076.65
Land revenue		5.07	7.02
Power & fuel		8,624.42	7,964.40
Consumption of stores & spare parts		1,764.66	1,416.06
System usage gas		5,505.77	(202.77)
Repairs & maintenance - building		199.15	227.20
Repairs & maintenance - machinery		16,821.21	14,436.62
Other O&M expenses		2,583.30	1,790.69
O&M expenses - windmill		520.13	468.71
Rent - Pipelines and others (i)		3,800.04	3,773.15
	(A)	**43,659.73**	**33,480.64**
Other Office & Administrative Expenses			
Advertisement & publicity expenses		100.80	96.04
Bandwidth & website maintenance charges		32.95	28.35
Business promotion		963.41	392.53
Statutory audit fees		28.64	29.73
Donation & contributions		1,619.28	1,971.26
Legal & professional expenses		2,841.68	1,452.17
Rent		232.06	172.24
Rate & taxes		168.18	188.96
Recruitment & training		48.02	49.89
Seminar & conference		48.85	16.77
Stationery & printing		288.78	288.44
Travelling expenses - directors		11.36	12.01
Travelling expenses - others		326.35	271.79
Postage, telephone & courier expenses		548.46	491.07
HSE expenses		112.05	100.44
Listing fee		14.92	15.80
Insurance expenses		665.86	610.19
Acquisition related costs		13.35	1,023.48
LCV/HCV Hiring, Operating and Maintenance Charges		5,196.00	4,344.00
Franchisee and other Commission		3,884.00	3,492.00
Agency & Contract Staff Expenses		2,941.00	2,660.00
Loss on sale / write-off of property plant and equipment (net)		120.13	781.00
Billing and Collection expenses		845.00	889.00
Vehicles Exps		670.00	639.00
Office Expenses		858.00	687.00
Allowance for Doubtful Trade Receivables/Advances/Deposits		331.51	57.00
Material Shortage/(Gain) and Loss on sale of material(Net)		16.00	146.00
Other administrative exp.		1,142.96	1,029.87
Diminution in Capital Inventory/Loss on sale as scrap		458.00	-
	(B)	**24,527.60**	**21,936.03**
Total Other Expenses (A+B)		**68,187.33**	**55,416.67**

(i) The Group has taken premises for business and residential use for its employees under cancellable operating lease arrangements. The total lease rentals recognised as an expense during the year for such lease arrangements is ₹ 702 Lacs (31st March, 2018: ₹ 640 Lacs). The lease arrangement typically ranges from 11 months to 9 years.

30. INCOME TAX EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	55,054.88	44,478.66
Adjustments for the current tax of prior periods	(3,617.24)	(790.48)
Total Current Tax Expenses (A)	**51,437.64**	**43,688.18**
Deferred Tax Expenses	7,566.43	8,193.07
Total Deferred Tax Expenses (B)	**7,566.43**	**8,193.07**
Total Income Tax Expenses (A+B)	**59,004.07**	**51,881.25**

Tax Items of Other Comprehensive Income

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Unrealised gain/(loss) on FVOCI equity securities	106.74	1,190.79
Net (loss)/gain on remeasurements of defined benefit plans	206.08	(27.78)
Income tax charged to OCI	**312.82**	**1,163.01**

31. EARNING PER SHARE

Particulars	2018-19	2017-18
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	99,860.30	74,130.67
Adjusted for the effect of dilution	99,860.30	74,130.67
Weighted average number of Equity Shares for:		
Basic EPS	56,39,05,634	56,37,44,897
Adjusted for the effect of dilution	56,40,46,400	56,39,81,524
Earnings Per Share (₹):		
Basic	17.71	13.15
Diluted	17.70	13.14

32. RECONCILIATION OF MOVEMENTS OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES

(₹ in Lacs)

Particulars	Liabilities	Equity					Total
	Borrowings	Share Capital	Share application money	Security Premium	Employees Stock Options Outstanding	Retained earnings	
Balance as at 1 April 2017	**2,98,212.65**	**56,358.77**	**-**	**41,062.39**	**385.83**	**3,70,261.66**	**7,66,281.30**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium	-	24.59	-	275.49	(115.68)	-	184.40
Proceeds from Long Term Borrowing	2,86,700.00	-	-	-	-	-	2,86,700.00
Repayment of Long Term Borrowings	(46,793.89)	-	-	-	-	-	(46,793.89)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(15,172.06)	(15,172.06)
Interest & Financial Charges paid	(23,602.13)	-	-	-	-	-	(23,602.13)
Total Cash Flow from Financing Activities	**2,16,303.98**	**24.59**	**-**	**275.49**	**(115.68)**	**(15,172.06)**	**2,01,316.32**
Liability realted other changes	23,959.79	-	-	-	-	-	23,959.79
Equity realted other changes	-	-	-	-	(1.14)	1,06,172.24	1,06,171.10
Balance as at 31 March 2018	**5,38,476.42**	**56,383.36**	**-**	**41,337.88**	**269.01**	**4,61,261.84**	**3,31,447.21**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium and Share appliaction money pending allotment	-	13.78	13.50	177.28	(87.73)	-	116.83
Proceeds from Long Term Borrowing	29,900.00	-	-	-	-	-	29,900.00
Repayment of Long Term Borrowings	(1,10,411.39)	-	-	-	-	-	(1,10,411.39)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(17,961.13)	(17,961.13)
Interest & Financial Charges paid	(42,458.13)	-	-	-	-	-	(42,458.13)
Refund of Dividend Distribution tax	2,596.00	-	-	-	-	-	2,596.00
Total Cash Flow from Financing Activities	**(1,20,373.52)**	**13.78**	**13.50**	**177.28**	**(87.73)**	**(17,961.13)**	**(1,38,217.82)**
Liability realted other changes	39,805.94	-	-	-	-	-	39,805.94
Equity realted other changes	-	-	-	-	(6.08)	1,04,749.99	1,04,743.91
Balance as at 31 March 2019	**4,57,908.84**	**56,397.14**	**13.50**	**41,515.16**	**175.20**	**5,48,050.70**	**3,37,779.24**

33. CONTINGENT LIABILITIES & CONTINGENT ASSETS*

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Claims against group not acknowledged as debts**		
1	By land owners seeking enhancement of compensation in respect of RoU acquired by the Group	2,121.11	2,178.59
2	By other parties including contractual disputes	18,145.07	22,628.09
3	Central Excise and Service Tax matters, the matters lying before: Applicable interest & penalty has also been demanded by Department.	41,631.24	41,592.14
4	Income tax matters:	2,026.58	3,633.92
The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required, while rest are disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group is contesting the demands and the management including its advisors believe that its position is likely to be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.			
5	Others (Refer (ii))	75,100.00	40,740.00
6	Stamp duty on amalgamation (Refer (iii))	-	1,853.00
B	**Guarantees excluding financial guarantees**		
	Outstanding Bank Guarantees / Letter of Credits	2,24,916.17	2,82,109.20

*Refer Note 55 for details of associate and joint venture companies.

(i) Imbalance and overrun charges as per the 'Modalities of maintaining & operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipeline) Regulations, 2008' issued by PNGRB on 7th March 2011, collected for the period prior to 1st April 2011 amounting to ₹ 226.02 Lacs (net of taxes) has been deposited in Escrow Account under protest. However, the same is not recognised as liability as these guidelines are applicable w.e.f. 1st April 2011.

(ii) Others

a) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited(now known as Gujarat Gas Limited) filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the Parties. The matter was decided against the Group by PNGRB. The Group has preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the PNGRB Order. The Group has also sought an interim stay on the PNGRB order which was granted by APTEL. The APTEL has in its order stated that it is an interim order without considering the merits of the case. The Group has submitted bank guarantee of ₹ 4,000 Lacs in favour of UPL.

b) Erstwhile Gujarat Gas Company Limited and Erstwhile GSPC Gas Company Limited (Now collectively known as Gujarat Gas Limited "GGL") had signed Gas supply agreement with Gujarat State Petroleum Corporation Limited (GSPCL) for purchase of Re-gasified liquefied natural gas (RLNG). As per the provision of said agreement, GGL has to pay interconnectivity charges to GSPCL for the supply and purchase of RLNG at Delivery point which is charged to GSPCL by their supplier i.e.PLL Off takers (GAIL India, BPCL, IOCL).

PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

The PLL Offtakers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23-February-2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18-December-2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between Rs. 8.74/MMBTU (exclusive of Service Tax) – earlier connectivity charges and Rs. 19.83/MMBTU (Exclusive of Service Tax) – HVJ/DVPL Zone-1 tariff to GAIL for the period from 20th November 2008 to 29th February 2012.

GSPCL has filed an appeal against the APTEL's above referred judgment before Hon'ble Supreme Court of India (GSPCL vs. GAIL & Others, Civil Appeal No. 2473-2476 of 2014) and the Hon'ble Supreme Court of India had passed the Interim Order on 28th February 2014. The Court has stated that the ends of justice would be met if as a matter of interim arrangement, the appellant is directed to pay interconnectivity charges at the rate of Rs. 12.00 per MMBTU (exclusive of Taxes). The Group has already provided and paid interconnectivity charges at the rate of Rs. 12.00 per MMBTU (exclusive of Taxes).

c) One of the gas suppliers of the Group has submitted a claim of ₹ 47,559 Lacs (P. Y. ₹ 13,490 Lacs), for use of domestic allocated gas other than PNG (Domestic) and CNG segments' demand in earlier years (FY 2013-14 to FY 2017-18). The Group has refused this erroneous claim contending that there is gross error in actual domestic gas purchase and actual sales in PNG (Domestic) and CNG segments considered by GAIL and also there is no contractual provisions of the agreement executed with GGL that allow such claim. The management is of the firm view that the Group is not liable to pay any such claim. The Group has already taken up the matter with concerned party/authorities to withdraw the claim.

d) The Group has initiated an arbitration proceeding against one of the franchisees claiming compensation for loss of revenue While replying to the claim, the said franchisee has also filed a counter claim of ₹ 17,714 Lacs (P. Y. ₹ 17,714 Lacs) against the Group claiming compensation for various losses. The Group has filed necessary rejoinder to the counter claim strongly refuting the same mainly on the grounds that the claims are wrong and as are not flowing from the same agreement under which the arbitral tribunal has been constituted the tribunal does not have any jurisdiction to adjudicate the claim.

(iii) Stamp duty on amalgamation

The Office of superintendent of stamp issued demand of stamp duty of ₹ 4,353 Lacs for the transaction of scheme of amalgamation and arrangement in the financial year 2016-17. The Group had filed the appeal before Chief Controlling Revenue Authority - CCRA on 20.12.2016. During current financial year, the Chief Controlling Revenue Authority (CCRA) had issued order for stamp duty levied of ₹ 4,287 Lacs. The Group has paid the balance stamp duty as per the Chief Controlling Revenue Authority - CCRA and settled the matter.

Contingent Assets

a) The Group has raised claim of ₹ 4,308 Lacs for net credit of natural gas pipeline tariff as per PNGRB Order with one of the suppliers and supplier is disputing Group's claim and indicating for adjusting the partial claim of ₹ 3,072 Lacs out of total claim ₹ 4,308 Lacs against disputed liability for use of domestic allocated gas other than PNG (Domestic) and CNG segments' against demand in earlier year.

b) The Group has filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the PNGRB order related to the matter held that the Gas Swapping Arrangement Guidelines of PNGRB is applicable erroneously. APTEL has issued the order in favour of GGL. The said supplier has filed appeal at Hon'ble Supreme Court of India against the order of APTEL.

Presently, the matter is pending in Hon'ble Supreme Court of India. Currently, GGL is paying ₹ 42.46 per mmbtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points . If verdict is in favour of GGL, GGL will get refund of ₹ 14,666 Lacs from December 2013 till March 2019 and the Group shall endeavour to pass on the benefit to its customers.

c) The Group is having other certain claims, litigations and proceedings which are pursuing through legal processes. The management believe that probable outcome in all such claims, litigations and proceedings are uncertain. Hence, the disclosure of such claims, litigations and proceedings is not required in the financial statements.

34. COMMITMENTS*

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	49,893.35	52,784.31
	Estimated amount of contracts remaining to be executed on revenue account and not provided for	38,868.00	33,079.00
B	**Other Commitments**		
	Investments in joint venture and other entities	1,72,515.72	1,82,407.12

All term contracts for purchase of natural gas with suppliers, has contractual volume off take obligation of "Take or Pay" (ToP) as specified in individual contracts. Quantification of ToP amount is dependent on various factors like actual purchase quantity, gas purchase prices of respective contract etc. As these factors are not predictable, ToP commitment amount is not quantifiable.

*Refer Note 55 for details of associate and joint venture companies.

35. EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Board of Directors, in its meeting on 9th May 2019, have proposed a final dividend of ₹ 2.00 (P.Y.: ₹ 1.75) per equity share for the financial year ended on 31st March,2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 12,831.49 Lacs (including Dividend Distribution Tax) [P.Y.: ₹ 11,283.13 Lacs].

36. Previous year figures have been reclassified or regrouped wherever necessary. Refer Note 40 for reclassification of comparative information.

37. BORROWING COSTS CAPITALISATION

(₹ in Lacs)

As per Indian Accounting Standard -23 "Borrowing Costs", the Group has capitalised the borrowing costs amounting to:

Particulars	2018-19	2017-18
Borrowing costs capitalised	2,068.19	2,035.23

38. There are no whole time / executive directors on the Board except Managing Director and joint Managing Director. They are not drawing any remuneration from the Group.

39. The balances of trade receivables, trade payables, loans & advances and deposits are subject to confirmation. Provision for all liabilities is adequate in opinion of the Group.

40. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:
- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

The Group believes that such presentation is more relevant for understanding of the Group's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Items of balance sheet before and after reclassification as at 31 March 2018: (₹ in Lacs)

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	Security deposits reclassified from other financial assets to loans and capital advances reclassified to non-current loans:			
	Other financial assets			
	Non-current	7,993.02	(7,909.52)	83.50
	Current	5,237.02	(58.84)	5,178.18
	Loans			
	Non-current	1,249.61	7,973.52	9,223.13
	Current	299.04	58.84	357.88
2	Payment under protest reclassified to advance income tax and TDS (Net of provision):			
	Payment under protest (Note 9)			
	Non-current	1,124.12	(1,123.12)	1.00
	Advance income tax and TDS (Net of provision)			
	Non-current	18,341.08	1,123.12	19,464.20
3	Capital advances reclassified to non-current loans and balance with government authorities reclassified from current to non-current:			
	Other assets			
	Non-current	37,452.75	509.00	37,961.75
	Current	8,126.90	(573.00)	7,553.90
4	Other payables reclassified to trade payables			
	Trade payables			
	Current	30,168.87	32.00	30,200.87
	Other financial liabilities			
	Current	2,59,716.74	(32.00)	2,59,684.74

Items of statement of profit and loss before & after reclassification as at 31 March 2018: **(₹ in Lacs)**

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	Gas transportation charges reclassified from other expenses to transmission expenses on the face of statement of profit and loss:			
	Gas Transmission expenses (on the face of statement of profit and loss)	-	4,776.08	4,776.08
	Other expenses	60,192.75	(4,776.08)	55,416.67

41. EXCEPTIONAL ITEMS

(₹ in Lacs)

Particulars	2018-19	2017-18
Rate & taxes expenses under scheme of Amalgamation & Arrangement	1,787.00	-

Exceptional item pertains to balance provision of stamp duty as per the order of the Chief Controlling Revenue Authority (CCRA) for stamp duty levied of ₹ 4,287 Lacs with regards to the appeal filed against the order of Collector & Additional Superintendent of Stamps for adjudication of stamp duty pursuant to Composite Scheme of Amalgamation and Arrangement approved by Hon'ble Gujarat High Court. The Group had already provided ₹ 2,500 Lacs in books of accounts for the same in the financial year 2015-16.

42. SEGMENT INFORMATION

(a) Description of segment and principal activities

The Group's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified two reportable segments of its business:
1. Gas Transportation - Transportation of Gas through pipeline.

2. City Gas Distribution - Distribution of gas to end users.

The Group is also engaged in generation of electricity through Windmills which was reported as a separate segment until the previous year. However, on account of change in the internal organizational structure as well as being insignificant, the same does not meet the definition of an operating / reportable segment.

Further, investments in equity accounted investees have also been realigned with the segments being reported based on the business and internal organisational structure.

Accordingly, based on the guidance provided in Ind AS 108 - Segment reporting, the comparative period has been restated for alignment with the current year disclosure.

The Group believes that the details provided in this note is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 - Revenue from contracts with Customers.

(b) Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment.

(c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net property, plant and equipment, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions excluding borrowings.

(d) Information about geographical areas

All the customers are located within India. Hence, the management believes that geographical distribution of revenue will not be applicable.

(e) Information about major customers

Revenues of ₹ 1,30,203.26 Lacs (P.Y.: ₹ 75,187.37 Lacs) are derived from multiple major customers (accounting for 10% or more of the Group's revenue individually).

(f) Information about product and services

The Group's revenue from external customers for each product is same as that disclosed below under "segment revenue".

(₹ in Lacs)

Particulars	2018-19			2017-18		
	Gas Transportation	City Gas Distribution	Total	Gas Transportation	City Gas Distribution	Total
Segment Revenues						
External Revenue*	1,87,725.70	7,96,248.00	9,83,973.70	1,33,174.79	6,33,935.00	7,67,109.79
Inter Segment Revenue	(28,647.44)	-	(28,647.44)	(24,503.14)	-	(24,503.14)
Total Segment Revenue	**1,59,078.26**	**7,96,248.00**	**9,55,326.26**	**1,08,671.65**	**6,33,935.00**	**7,42,606.65**
Segment Results						
Profit/(Loss)	1,45,792.16	30,765.56	1,76,557.72	1,23,387.94	21,798.86	1,45,186.80
Profit before tax	1,45,792.16	30,765.56	1,76,557.72	1,23,387.94	21,798.86	1,45,186.80
Share of profit/(loss) of joint venture and associates accounted for using the equity method (net of tax)	1,336.85	149.00	1,485.85	2,410.31	125.00	2,535.31
Income tax- Current	(38,819.88)	(16,235.00)	(55,054.88)	(32,474.66)	(12,004.00)	(44,478.66)
Excess/short provision of income tax	632.24	2,985.00	3,617.24	911.48	(121.00)	790.48
Deferred tax	(3,099.43)	(4,467.00)	(7,566.43)	(3,134.72)	(5,058.35)	(8,193.07)
Profit after tax	**1,05,841.94**	**13,197.56**	**1,19,039.50**	**91,100.35**	**4,740.51**	**95,840.86**
Other information						
Depreciation and amortisation	17,997.61	28,801.00	46,798.60	17,503.87	27,182.00	44,685.87
Cost to acquire Fixed Assets (incl.CWIP)	21,646.13	53,759.00	75,405.13	28,949.41	45,548.99	74,498.40
Net Additions to non-current assets	(1,024.15)	(4,755.00)	(5,779.15)	(717.26)	(955.00)	(1,672.26)

(₹ in Lacs)

Segments Assets**	**As at 31st March, 2019**	**As at 31st March, 2018**
Gas Transportation	5,30,392.42	5,30,085.98
City Gas Distribution	7,15,753.05	6,66,178.06
Total	**12,46,145.47**	**11,96,264.04**

(₹ in Lacs)

Segments Liabilities**	**As at 31st March, 2019**	**As at 31st March, 2018**
Gas Transportation	31,733.93	32,724.02
City Gas Distribution	1,62,933.93	1,40,115.09
Total	**1,94,667.86**	**1,72,839.11**

** Segment assets and liabilities are measured in same way as in the financial statements. They are allocated based on the operations of the segment.

43. RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Group are as follows:

(a) Parent Entity

Gujarat State Petroleum Corporation Limited

(b) Subsidiary/Associate

Name of the entity#	Type
Gujarat Gas Limited ('GGL')	Subsidiary*
Gujarat Gas Limited Employees Group Gratuity Scheme	Subsidiary*
GSPL India Gasnet Limited	Joint Venture
GSPL India Transco Limited	Joint Venture
Sabarmati Gas Limited	Associate
Guj Info Petro Limited	Associate
Gujarat State Energy Generation Limited	Entities over which parent company exercise significant influence
GSPC LNG Limited	
Gujarat Pipavav Power Company Limited	Entities controlled by the parent company
Gujarat Info Petro Limited	

List of parties having transactions during the year

*Refer note 53 for acquisiton of controlling stake in Gujarat Gas Limited accounted as per the guidance provided in Appendix C to Ind AS 103 Business Combination.

(c) Transactions with related parties:

(₹ in Lacs)

Particulars	Parent		Joint Venture		Associate		Others/Key Managerial Pesonnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Gas Transportation Income	16,511.06	11,904.30	-	177.00	5,363.58	3,483.04	2,485.28	903.36	24,359.92	16,467.70
Other Income	4.52	20.00	200.01	189.02	37.56	47.34	-	0.15	242.09	256.51
Investments in equity shares	-	-	3,900.00	-	-	-	-	-	3,900.00	-
Dividend income	-	-	-	-	137.33	109.86	-	-	137.33	109.86
Services received	22.47	10.35	1.81	0.38	-	-	149.65	58.60	173.93	69.33
Reimbursement made for expenses	458.36	966.69	161.97	248.21	-	0.79	3.51	2.63	623.84	1,218.32
Reimbursement received for expenses	35.69	22.72	615.19	260.83	21.00	1.00	322.36	28.80	994.24	313.35
Purchase of Line Pack Gas	5,707.92	473.73	-	-	-	-	-	-	5,707.92	473.73
Dividend Paid	3,715.34	3,184.58	-	-	11.00	8.00	-	-	3,726.34	3,192.58
Acquistion of additional equity stake	-	3,25,669.99	-	14,872.00	-	-	-	-	-	3,40,541.99
Gas transportation charges	-	-	2,424.34	-	73.00	71.00	-	-	2,497.34	71.00
Pipeline crossing charges paid	-	-	1.18	-	-	-	-	-	1.18	-
Purchase of Assets	12.11	-	0.61	1.04	-	1.00	0.03	-	12.75	2.04
Sale of Assets	-	-	99.87	0.29	172.00	-	-	-	271.87	0.29
Sale of Materials	-	-	22.87	-	-	449.00	-	-	22.87	449.00
Security deposits paid/ released	-	-	1,016.96	-	4.00	28.00	-	-	1,020.96	28.00
Security deposits Received	-	3.41	-	-	258.00	-	0.15	-	258.15	3.41
Refundable Rent Deposit	-	-	-	-	-	-	-	24.31	-	24.31
Short term employee benefits - KMP	-	-	-	-	-	-	107.71	97.00	107.71	97.00
Post employment benefits - KMP	-	-	-	-	-	-	15.00	14.00	15.00	14.00
Contribution made to Employee Benefits Trusts	-	-	-	-	-	-	773.16	885.16	773.16	885.16
Purchase of Natural Gas	5,65,133.00	4,40,046.00	-	-	-	-	-	297.72	5,65,133.00	4,40,343.72
Outstanding balances arising from sales/purchases of goods/services										
Corporate guarantee / Bank guarantee	27,290.00	28,860.00	6,500.00	6,500.00	-	-	-	-	33,790.00	35,360.00
Bank Guarantee / Letter of Credit Taken	-	-	-	-	360.00	360.00	-	-	360.00	360.00
Account Payable as at year end	15,470.37	14,222.15	346.37	13.43	125.00	138.79	60.17	45.30	16,001.91	14,419.67
Account Receivable as at year end	1,004.37	424.25	-	42.52	-	-	277.48	153.64	1,281.85	620.41

* The above transactions are inclusive of all taxes, wherever applicable.

(d) Terms and conditions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

Apart from the above transactions, the Group has also entered into certain transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

44. FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

(₹ in Lacs)

A. Financial instruments by category and their fair value

As at 31st March, 2019	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	10,776.00	-	10,776.00	-	-	10,776.00	10,776.00
Loan								
- Non-current	-	-	9,114.67	9,114.67	-	-	-	-
- Current	-	-	271.90	271.90	-	-	-	-
Trade Receivables	-	-	70,031.10	70,031.10	-	-	-	-
Cash and Cash Equivalents	-	-	16,840.89	16,840.89	-	-	-	-
Other Bank Balances	-	-	30,307.58	30,307.58	-	-	-	-
Other financial assets								
- Non-current	-	-	485.06	485.06	-	-	-	-
- Current	43.24	-	9,053.28	9,096.52	-	43.24	-	43.24
Total financial assets	**43.24**	**10,776.00**	**1,36,104.48**	**1,46,923.72**	**-**	**43.24**	**10,776.00**	**10,819.24**
Financial liabilities								
Borrowings								
- Non-current	-	-	3,37,471.28	3,37,471.28	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Other financial liabilities								
- Non-current	-	-	1,919.61	1,919.61	-	-	-	-
- Current	-	-	2,54,541.56	2,54,541.56	-	-	-	-
Trade Payables	-	-	36,151.61	36,151.61	-	-	-	-
Total financial liabilities	**-**	**-**	**6,30,084.06**	**6,30,084.06**	**-**	**-**	**-**	**-**

As at 31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	5,111.41	-	5,111.41	-	-	5,111.41	5,111.41
Loan								-
- Non-current	-	-	9,223.13	9,223.13	-	-	-	-
- Current	-	-	357.88	357.88	-	-	-	-
Trade Receivables	-	-	50,183.60	50,183.60	-	-	-	-
Cash and Cash Equivalents	-	-	11,944.76	11,944.76	-	-	-	-
Other Bank Balances	-	-	38,519.88	38,519.88	-	-	-	-
Other financial assets								
- Non-current	-	-	83.50	83.50	-	-	-	-
- Current	23.96	-	5,154.22	5,178.18	-	23.96	-	23.96
Total financial assets	**23.96**	**5,111.41**	**1,15,466.96**	**1,20,602.33**	**-**	**23.96**	**5,111.41**	**5,135.37**
Financial liabilities								
Borrowings								
- Non-current	-	-	3,97,247.10	3,97,247.10	-	-	-	-
- Current	-	-	128.00	128.00	-	-	-	-
Other financial liabilities								
- Non-current	-	-	1,499.62	1,499.62	-	-	-	-
- Current	-	-	2,59,684.74	2,59,684.74	-	-	-	-
Trade Payables	-	-	30,200.87	30,200.87	-	-	-	-
Total financial liabilities	**-**	**-**	**6,88,760.32**	**6,88,760.32**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs for determining fair value are as under:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVOCI in unquoted equity shares	**Valuation techniques:** Such investments are fair valued using appropriate valuation techniques as permitted under Ind AS 113. These have been summarised below: • Investment in equity shares of Gujarat State Energy Generation Limited has been fair valued using the Discounted Cash Flow method (DCF) (90% Weightage) and Net Asset Value Method (10% Weightage). Further, this investment was fair valued using the DCF method in the previous year. • Investment in equity shares of GSPC LNG Limited were fair valued using the Net Asset Value method (PY : DCF Method). • Investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018 and March 2019. Further payments will be made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made on the date of acquisition. • Investments in equity shares of Gujarat State Petroleum Corporation Limited has been fair valued using DCF Method (PY: DCF Method). **Significant unobservable inputs** Future estimated cash flows, discount rate and provisional financial information. **Inter-relationship between significant unobservable inputs and fair value measurement** The estimated fair value would increase (decrease) if there is a change in estimated cash flows and discount rate used to determine the fair value and change in projected financial information.
Cross Currency Interest Rate Swaps	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31 March 2019 and 31 March 2018 is as below:

(₹ in Lacs)

Particulars	Amount
As at 1 April 2017	**10,309.46**
Acquisitions/ (disposals)	0.87
Gains/ (losses) recognised in other comprehensive income	(5,198.92)
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2018	**5,111.41**
Acquisitions/ (disposals)	5,991.40
Gains/ (losses) recognised in other comprehensive income	(326.81)
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2019	**10,776.00**

Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2019 and 31 March 2018.

Sensitivity analysis
Gujarat State Energy Generation Limited (GSEG)

A sensitivity analysis has been carried out to determine the impact on equity valuation of GSEG. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in estimated cash flows by 5%	(41.50)	-
Decrease in estimated cash flows by 5%	41.49	-
Increase in adjusted net assets by 5%	-	33.03
Increase in discount rate by 0.5%	1.46	-
Decrease in discount rate by 0.5%	(1.48)	-

GSPC LNG Limited

A sensitivity analysis has been carried out to determine the impact of escalation in Opex of GSPC LNG Limited on the valuation. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in net assets by 5%	125.00	-
Increase in total Opex by 5%	-	91.00
Decrease in net assets by 5%	(125.00)	-

Gujarat State Petroleum Corporation Limited

A sensitivity analysis has been carried out to determine the impact of change in gas trading margin. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Forecast gas trading margin 25% decrease	1,552.00	1,445.00

C. Financial risk management

The Group has a well-defined risk management framework. The Board of Directors has adopted a Risk Management Policy. The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Group along with relevant mitigation procedures adopted have been enumerated below:

Trade and other receivables

The Group's exposure to credit Risk is the exposure that the Group has on account of goods sold under City Gad Distribution business or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Group's customer base are Industrial and Commercial, Non-commercial, Domestic and CNG.

Sales are generally subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the Group's receivables are secured. The Group provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. For CNG sales made through Oil Marketing Companies (OMCs), the Group raises the invoice for quantities sold based on periodicity as per the agreement. The OMCs are well established companies viz. HPCL, BPCL, IOC, Essar Oil Ltd. where no significant credit risk is anticipated.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Age of Receivables (₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not Due	49,432.83	39,722.72
0-3 Months	6,873.82	4,316.50
3-6 Months	7,315.80	243.00
6 Months -3 Years	1,359.85	688.06
>3 years	5,971.64	6,024.41

The above receivables which are past due but not impaired are assessed on case-to-case basis. These are third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. The provision for impairment of trade receivables, movement of which has been provided below, is not significant / material. The concentration of credit risk is limited due to fact that the customer base is large and unrelated.

Movements in Expected Credit Loss Allowance (₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	811.10	806.10
Movements in allowance	111.74	5.00
Closing balance	**922.84**	**811.10**

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows: (₹ in Lacs)

Particulars	Carrying amount	
	As at 31st March, 2019	As at 31st March, 2018
India	70,031.10	50,183.60
Other regions	-	-
Total	**70,031.10**	**50,183.60**

Movement in Allowance for bad and doubtful Security deposits-Project authority (₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening Allowance for bad and doubtful Security deposits	1,016.00	970.00
Provision during the year	268.00	169.00
Recovery/Adjustment during the year	**(78.00)**	**(123.00)**
Write off during the year	-	-
Closing Allowance for bad and doubtful Security deposits	**1,206.00**	**1,016.00**

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, derivative asset, advances to employees etc.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- Investments are made in credit worthy companies.
- Derivative instrument comprises cross currency interest rate swaps where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- The Group has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Group does not have exposure to any credit risk.
- Loan and advances to employees (for housing advances) are majorly secured in nature and hence the Group does not have exposure to any credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Group's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lacs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Floating rate		
Expiring within one year (bank overdraft and other facilities)	23,500.00	98,900.00
Total	**23,500.00**	**98,900.00**

Further, the Group has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Group has a clean track record with no adverse events pertaining to liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lacs)

31st March, 2019	**Carrying amount**	**Contractual maturities**		
		Total	**Less than 12 months**	**More than 12 months**
Non-derivative financial liabilities				
Non current borrowings	3,37,471.28	3,37,471.28	-	3,61,314.23
Non current financial liabilities	1,919.61	4,859.89	-	4,859.89
Current borrowings	1,27,981.91	1,27,981.91	1,27,981.91	-
Current financial liabilities	1,29,421.33	1,29,421.33	1,29,421.33	-
Trade payables	35,577.00	35,577.00	35,577.00	-
Total	**6,32,371.13**	**6,35,311.41**	**2,92,980.24**	**3,66,174.12**

(₹ in Lacs)

31st March, 2018	**Carrying amount**	**Contractual maturities**		
		Total	**Less than 12 months**	**More than 12 months**
Non-derivative financial liabilities				
Non current borrowings	3,97,247.10	4,72,250.45	-	4,72,250.45
Non current financial liabilities	1,499.62	3,022.91	-	3,022.91
Current borrowings	128.00	128.00	128.00	-
Current financial liabilities	2,59,684.74	2,59,684.74	2,59,684.74	-
Trade payables	30,200.87	30,200.87	30,200.87	-
Total	**6,88,760.32**	**7,65,286.96**	**2,90,013.60**	**4,75,273.36**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments.

Currency risk

The functional currency of the Group is Indian Rupees and its revenue is generated from operations in India. It is exposed to foreign currency risk arising on the LIBOR linked floating rate external commercial borrowing (ECB) denominated in Japanese Yen. The ECB has been fully hedged through cross currency interest rate swap with all critical terms mirroring the underlying ECB. Accordingly, the foreign currency exposure has been completely hedged.

This aside, the Group does not have any derivative instruments used for any other purpose.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's portfolio of borrowings comprise of a mix of fixed rate and floating rate loans which are monitored continuously in the light of market conditions.

(₹ in Lacs)

Variable-rate instruments	**As At 31st March, 19**	**As At 31st March,18**
Non current - Borrowings	3,31,159.03	3,88,150.03
Current portion of Long term borrowings	1,17,503.18	1,38,255.08
Total	**4,48,662.21**	**5,26,405.11**
Fixed-rate instruments	**31-Mar-19**	**31-Mar-18**
Non current - Borrowings	6,312.25	9,097.07
Current portion of Long term borrowings	2,934.38	2,974.24
Total	**9,246.63**	**12,071.31**

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. Since no interest rate exposure is perceived on fixed rate loans, the same have been excluded from the sensitivity analysis. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Lacs)

Particulars	**Profit or (Loss) before tax**		**Equity (net of tax)**	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31st March, 2019				
Non current - Borrowings	(1,655.80)	1,655.80	(1,077.19)	1,077.19
Current portion of Long term borrowings	(587.52)	587.52	(382.21)	382.21
Total	**(2,243.31)**	**2,243.31**	**(1,459.40)**	**1,459.41**
31st March, 2018				
Non current - Borrowings	(1,940.75)	1,940.75	(1,262.57)	1,262.57
Current portion of Long term borrowings	(691.28)	691.28	(449.72)	449.72
Total	**(2,632.03)**	**2,632.03**	**(1,712.29)**	**1,712.29**

Commodity Price Risk

Risk arising on account of fluctuations in prices of natural gas is managed through long term purchase contracts entered with the respective parties. The Group monitors the movements in the prices closely while entering into new contracts.

45. CAPITAL MANAGEMENT

The Group defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders (which is the Group's net asset value). The primary objective of the Group's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows. **(₹ in Lacs)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Total Non-current liabilities	5,16,828.01	5,61,284.65
Less : Cash and bank balances	47,148.47	50,464.64
Adjusted net debt	**4,69,679.54**	**5,10,820.01**
Borrowings	4,57,908.84	5,38,476.42
Total equity	**4,30,599.07**	**3,28,385.41**
Adjusted net debt to adjusted equity ratio	**1.09**	**1.56**
Debt equity considering only borrowings as debt	**1.06**	**1.64**

46 DISCLOSURES FOR GRATUITY & LEAVE SALARY PROVISIONS AS PER INDIAN ACCOUNTING STANDARD - 19

The Group has participated in Group Gratuity scheme of Life Insurance Corporation of India (LIC), HDFC Life Insurance Co. Ltd, Aditya Birla Sun Life Insurance Co. Ltd, ICICI Prudential Life Insurance Co. Ltd, SBI Life Insurance Co. Ltd. Reliance Nippon Life Insurance Co. Ltd. The liability in respect of gratuity benefits & leave salary being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date. In arriving at the valuation for gratuity & leave salaries following assumptions were used:

Particulars	**2018-19**			**2017-18**		
	Gratuity	**Leave Salary**	**PRMBS**	**Gratuity**	**Leave Salary**	**PRMBS**
Type of fund	Funded	Unfunded	Funded	Funded	Unfunded	NA
Mortality	Indian Assured Lives Mortality (2006-08) Ult.			Indian Assured Lives Mortality (2006-08) Ult.		NA
Withdrawal rate	5% at younger age reducing to 1% at old age			5% at younger age reducing to 1% at old age		NA
Retirement Age	60 years			60 years		NA
Discount Rate	7.55%-7.60%	7.55%-7.60%	7.60%	7.60%-7.65%	7.60%-7.65%	NA
Rate of Return on Plan Assets	7.55%-7.60%	0.00%	7.60%	7.60%-7.65%	0.00%	NA
Salary escalation	7.00%-10.00%	7.00%-10.00%	0.00%	7.00%-9.50%	9.50%	NA
Medical Inflation Rate	0.00%	0.00%	4.00%	0.00%	0.00%	NA

The following table sets out disclosures as required under Indian Accounting Standard 19 on "Employee Benefit" **(₹ in Lacs)**

Particulars	**2018-19**			**2017-18**		
	Gratuity	**Leave Salary**	**PRMBS**	**Gratuity**	**Leave Salary**	**PRMBS**
Table showing change in benefit obligation						
Opening defined benefit obligation	5,948.09	4,275.06	-	5,227.22	3,891.19	-
Transfer in obligation	53.82	84.10	-	2.13	-	-
Interest Cost	359.58	320.35	-	373.65	278.66	-
Current Service Cost	574.56	346.99	4.13	534.10	334.39	-
Benefit Paid	(294.50)	(328.80)	-	(167.88)	(201.36)	-
Past service cost *	334.21	-	70.67	72.13	-	-
Actuarial Loss / (gain) on Obligations	523.52	529.30	-	(93.26)	(27.82)	-
Liability at the end of the period	**7,499.28**	**5,227.00**	**74.80**	**5,948.09**	**4,275.06**	**-**

* For Gratuity, past service cost is in the current year is on account of change in gratutiy ceiling from ₹ 20,00,000 to No ceiling.

Table showing change in Fair Value of Plan Assets						
Fair Value of Plan Assets at the beginning	5,624.56	-	-	4,381.41	-	-
Transfer in/(out) plan assets	53.82	-	-	2.13	-	-
Interest Income	104.51	-	0.54	70.26	-	-
Expected Return on Plan Assets	339.00	-	-	257.00	-	-
Contributions	565.45	-	59.61	1,098.85	-	-
Benefit Paid	(281.27)	-	-	(173.36)	-	-
Actuarial gain /(loss) on Plan Assets	(66.31)	-	-	(10.73)	-	-
Fair Value of Plan Assets at the end of the period	**6,339.76**	**-**	**60.15**	**5,624.56**	**-**	**-**

(₹ in Lacs)

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Actual Gain / loss recognized						
Actuarial (gain) / loss on obligations						
Due to change in financial assumptions	(80.00)	99.00	-	84.06	90.61	-
Due to experience adjustments	603.52	430.30	-	(177.32)	(118.43)	-
Actuarial (gain) / loss on Plan Assets	66.31	-	-	10.73	-	-
Net Actuarial (gain) / loss recognized during year	**589.83**	**529.30**	**-**	**(82.53)**	**(27.82)**	**-**
Amount recognized in Balance Sheet						
Liability at the end of the period	7,499.28	5,227.00	74.80	5,948.09	4,275.06	-
Fair Value of Plan Asset at the end of the period	6,339.76	-	60.15	5,624.56	-	-
Net Amount recognized in Balance Sheet	**1,159.52**	**5,227.00**	**14.65**	**323.53**	**4,275.06**	**-**
Current liability / (asset)	903.54	135.60	1.22	323.53	149.81	-
Non-current liability / (asset)	255.98	5,091.40	13.43	-	4,125.25	-
Total Liability / (Asset)	**1,159.52**	**5,227.00**	**14.65**	**323.53**	**4,275.06**	**-**
Expense recognized						
Current Service cost	574.56	346.99	4.13	534.10	334.39	-
Interest cost	359.58	320.35	(0.54)	373.65	278.66	-
Expected return on Plan Asset	(339.00)	-	-	(257.00)	-	-
Net Actuarial Loss / (gain) to be recognized	589.83	529.30	-	(82.53)	(27.82)	-
Past service costs	334.21	-	70.67	72.13	-	-
Net Expense recognized	**1,519.18**	**1,196.64**	**74.26**	**640.35**	**585.23**	**-**

Expected contribution:

The expected contribution during the next financial year are as under: (₹ in Lacs)

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Expected contribution during the next financial year (₹ in Lacs)	903.54	135.60	1.22	-	149.81	-
Composition of the plan assets						
Policy of insurance	99.77%-100%	NA	NA	99.85%-100%	NA	-
Bank balance	0.20%	NA	100%	0.12%	NA	-
Others	0%	NA	100%	0%	NA	-

Sensitivity Analysis:
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Lacs)

Gratuity	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: 0.5%)	7,067.74	7,972.78	5,615.30	6,316.54
Withdrawal rate - 10% (PY: 0%)	1,973.19	1,971.26	1,276.86	1,262.68
Salary growth rate - 0.5% (PY: 0.5%)	7,962.73	7,073.75	6,288.49	5,635.00
Leave salary	**2018-19**		**2017-18**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate - 0.5% (PY: 0.5%)	4,885.83	5,603.66	4,001.91	4,575.78
Withdrawal rate - 10% (PY: 0%)	1,258.47	1,253.40	960.01	956.02
Salary growth rate - 0.5% (PY: 0.5%)	5,595.74	4,889.07	4,570.84	4,004.34
PRMBS	**2018-19**		**2017-18**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate - 0.5% (PY: NA)	68.05	82.42	-	-
Withdrawal rate - 10% (PY: NA)	73.40	76.23	-	-
Medical Inflation rate - 0.5% (PY: NA)	82.66	67.80	-	-

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationships between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Other notes:

The Group has provided long service award benefits to its employees who completed 15/20/25 Years of employment with the Group. Accordingly, the Group has provided ₹ 81 Lacs (Previous year ₹ 83 Lacs) on account of Long service award benefit. Current Liability as at 31st March 2019 is ₹ 8 Lacs (Previous year ₹ 13 Lacs) and Non- Current Liability is ₹ 73 Lacs (Previous year ₹ 70 Lacs). Discount rate considered for current year is 7.55% (previous year 7.65%).

47. EMPLOYEE STOCK OPTION PLANS

Gujarat State Petronet Limited

ESOP 2010 Scheme:
During the Financial Year 2010-11, the Company instituted ESOP-2010. The Board of Directors and the Shareholders approved the plan in the meeting held on 23rd August 2010 and 27th October 2010 respectively, which provides for the issue of 21,28,925 equity shares to the employees of the company. The Compensation Committee administers ESOP-2010. These ESOPs are granted at an exercise price of ₹75 per share to be vested over the period of five years and to be exercised within a period of ten years from the date of Grant. Set out below is a summary of options granted under the plan:

Particulars	31st March, 2019		31st March, 2018	
	Avg Exercise Price per share option (₹)	Number of options	Avg Exercise Price per share option (₹)	Number of options
Opening Balance	**75.00**	**3,87,958**	**75.00**	**6,36,226**
Granted during the year	75.00	-	75.00	-
Exercised during the year	75.00	(1,37,761)	75.00	(2,45,860)
Lapsed/cancelled during the year	75.00	(8,396)	75.00	(2,408)
Closing balance		**2,41,801**		**3,87,958**

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2019 was ₹ 72.45 per option (31 March 2018 - ₹ 72.45). The fair value at grant date is determined using the Binomial Model which takes into account the exercise price, the terms of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit and loss as part of employee benefit expenses were as follows:

(₹ in Lacs)

Particulars	31-Mar-19	31-Mar-18
Employee option plan	(6.08)	(1.13)

Gujarat Gas Limited

The erstwhile GSPC Gas Company Limited ('e-GSPC'), erstwhile Gujarat Gas Company Limited ('e-GGCL'), erstwhile Gujarat Gas Financial Services Limited ('e-GFSL') and erstwhile Gujarat Gas Trading Company Limited ('e-GTCL') merged with and into GSPC Distribution Network Limited ('GDNL') under the Composite Scheme of Amalgamation and Arrangement (the "Scheme of Amalgamation"). The effective date of Scheme of Amalgamation was 14 May 2015. Upon the Scheme of Amalgamation becoming effective, the name of GDNL has been changed to Gujarat Gas Limited ('GGL') as per the provisions of the Companies Act.

Pursuant to the Scheme of Amalgamation, the Addendum Gujarat Gas Limited Employee Stock Option Plan 2016 ("ESOP 2016") being supplementary to the Gujarat Gas Company Limited Employee Stock Option Plan 2008 ("ESOP 2008") has been formulated for the limited purpose of adopting the ESOP 2008 in the Company.

The e-GGCL had formulated the above ESOP 2008, whereby Stock Options had been granted by e-GGCL to its employees. The ESOP 2008 has been effective from 1 November 2008 for a tenure of 8 years. As on the effective date of the Scheme of Amalgamation, certain employees of e-GGCL to whom Options had been Granted and Vested under the ESOP 2008, have not Exercised the said Options and hence as per the Scheme of Amalgamation, they are the Eligible Employees for the purpose of the ESOP 2016 as follows:

1. Revised Grants have been made to them with effect from the effective date under the Scheme of Amalgamation of 13000 equivalent number of Options-I under the ESOP 2016, against the equivalent number of Options Granted and Vested in them pursuant to the ESOP 2008, which were not Exercised by them on the effective date under the Scheme of Amalgamation.
2. The above Revised Grants of Options-I has been on the basis of the Share Exchange Ratio of 1 (one) equity share of Rs.10/- each of GGL, for every 1 (one) equity share of Rs.2/- each of e-GGCL, pursuant to the Scheme of Amalgamation.
3. The Options-I bear the Exercise Price as per the ESOP 2008. The Exercise Price payable for Options-I under ESOP 2016 is based on the Exercise Price payable by such Eligible Employees under the ESOP 2008 that has been adjusted after taking into account the effect of the Share Exchange Ratio of 1:1 as mentioned above.
4. Upon such Revised Grant of Options-I to the Eligible Employees the Options Granted under the ESOP 2008 stand cancelled and the Eligible Employees shall continue to be bound by all the terms and conditions of the ESOP 2008 in addition to this ESOP 2016.

The Gujarat Gas Company Limited Employee Welfare Stock Option Trust ("ESOP 2008 Trust"). which has been formed and created vide execution of the Deed of Gujarat Gas Company Limited Employee Welfare Stock Option Trust dated 4 November 2008 has been renamed as Gujarat Gas Limited Employee Welfare Stock Option Trust ("ESOP 2016 Trust").The ESOP 2016 Trust is an irrevocable Trust that functions for the limited purpose of adopting the ESOP 2008 and ESOP 2016 and to hold the existing share inventory of the ESOP 2008 Trust for the benefit of Eligible Employees under ESOP 2016 and the balance to be appropriated in line with the SEBI Regulations.

The ESOP 2016 and the ESOP 2016 Trust are governed by the provisions of the Companies Act 1956 or the Companies Act 2013, as may be applicable and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the SEBI (Share Based Employee Benefits) Regulation, 2014, as may be applicable.

The ESOP 2008 Trust had purchased out of the funds advanced by the Company, the shares equivalent to the number of options granted. IDBI Trusteeship Services Limited are the Trustees. The Trustees can sell the shares in the market as per the approved scheme and for the year ended on 31st March 2018, there are no purchases from the market.

The exercise price is calculated at 10% discount to the closing price of the shares on record date, being the date on which the grant of options were approved as per ESOP 2008. The graded vesting of options granted, over a period of 4 years from the date of grant is as follows:

Vesting Date	Cumulative	% of Option Vested
On expiry of two years from their Grant date ("First Vesting Date')	25%	25%
On expiry of three years from their Grant date ("Second Vesting Date')	75%	50%
On expiry of four years from their Grant date ("Third Vesting Date')	100%	25%

The options are to be exercised within a maximum period of 2 years from the date of vesting. Within the exercise period, the employee would have the option to either purchase the shares from the trust at the exercise price or to give a mandate of sale to the trust at the best available market price, in which event the difference between the net price realized on sale after taxes and charges and the Exercise Price will accrue as gains to the employee.

The employee share based payment plans have been accounted based on the Fair value method of accounting using the Black-Scholes Option Pricing Formula. There are no options outstanding as on 31 March 2019 and 31 March 2018.

48 The Group has maintained a separate escrow account as per PNGRB guidelines for modalities of maintaining and operation of escrow account for charges towards system indiscipline in terms of positive or negative imbalance or overruns. In this regard, since financial year 2011-12, amount recovered from customers is deposited in the said bank account and the amount invoiced (net of taxes) is recognized as liability.

49 As at the consolidated balance sheet date, the Group has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

50 Amount due for credit to Investor Education and Protection Fund is NIL (Previous year NIL).

51 Petroleum Natural Gas Regulatory Board (PNGRB) vide its order dated 27th September 2018 has issued tariff order for final initial unit tariff to be charged by the Company for High Pressure and Low Pressure natural gas transmission pipeline. The order is effective from 1st April 2018. Further, PNGRB vide its order dated 10th December, 2018 has issued finalized zonal tariff for the Company high pressure pipeline network. The Company has implemented the said orders during the year and accordingly the revenue is recognized as per Ind AS 115 - Revenue from Contracts with Customers.

52 In the opinion of management, any of the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

53. ACQUISITION OF CONTROLLING EQUITY STAKE IN GUJARAT GAS LIMITED

The Board of Directors of GSPL (the Company), in their Board meeting held on 19 March 2018, approved the acquisition of 39,106,328 equity shares (before share split) (28.40% equity stake) of Gujarat Gas Limited (GGL, acquiree) held by Gujarat State Petroleum Corporation Limited (GSPC). GGL is one of the largest city gas distribution companies in India. The acquisition was completed on 28 March 2018 through a block deal at the recognised stock exchange at the prevailing market price in compliance with the relevant regulatory provisions. This resulted in the Company owning 54.17% of equity shares and voting rights in GGL and the latter becoming its subsidiary. Since the Company and GGL are both controlled by GSPC, based on principles of Ind AS 103 - Business Combinations, Appendix C - Business combinations of entities under common control,the acquisition has been accounted using pooling of interest method from the beginning of 2016-17. This included the below:

- Accounting the assets, liabilities and reserves of GGL at their carrying values.

- Accounting the difference airsing on application of the pooling of interest method, as an "Capital Reserve on common control business combination" which has been disclosed separately.

- All the accounting policies have been harmonised.

Details of the assets, liabilities and reserves of the GGL (before intercompany eliminations) reflected in the consolidated balance sheet at each reporting date, have been provided below:

(₹ in Lacs)

Particulars	31st March, 2018
Non-Current Assets	
Property, Plant and Equipment	4,79,314.00
Capital Work-In-Progress	47,833.00
Investment Property	130.00
Intangible Assets	29,957.00
Intangible Assets under Development	-
Investment in Joint Venture and Associate	2,468.00
Financial Assets	
Investments	1,606.00
Loans	7,014.00
Other Financial Assets	2.00
Other Non-Current Assets	27,811.00
Total Non-Current Assets	**5,96,135.00**

(₹ in Lacs)

Particulars	31st March, 2018
Current Assets	
Inventories	5,678.00
Financial Assets	
Trade Receivables	39,171.00
Cash and Cash Equivalents	9,694.00
Other Bank Balances	4,318.00
Loans	150.00
Other Financial Assets	4,703.00
Other Current Assets	6329.00
Total Current Assets	**70,043.00**
Total Assets	**6,66,178.00**
Non-Current Liabilities	
Financial Liabilities	
Borrowings	2,21,299.00
Provisions	3,340.00
Deferred Tax Liabilities (Net)	1,05,056.00
Total Non-Current Liabilities	**3,29,695.00**

Particulars	31st March, 2018
Current Liabilities	
Financial Liabilities	
Borrowings	128.00
Trade Payables	29,685.00
Other Financial Liabilities	1,15,453.00
Other Current Liabilities	3,823.00
Provisions	490.00
Current Tax Liabilities (Net)	266.00
Total Current Liabilities	**1,49,845.00**
Total Liabilities	**4,79,540.00**
Total Reserves (including reserves representing unrealised gains and losses)	93,637.38
Non controlling interest (NCI)	85,543.03
Net issued share capital of GGL attributable to the Company (A)	**7,457.59**
Cash consideration paid for acquisition of 28.40% equity stake on 28th March, 2018	3,25,669.98
Cost of 25.76% equity shares already held by the company	41,260.44
Total consideration considered for pooling of interest accounting (B)	**3,66,930.42**
Debit Balance of capital reserve on common control business combination (B) - (A)	**3,59,472.83**

Acquisition related cost has been expensed as an "Other Office & Administrative Expenses", during the year. The same has been disclosed in schedule no. 29.

Further, the acquisition has resulted in net change in cash and cash equivalents as discussed below: (₹ in Lacs)

Particulars	31st March, 18
Operating activities	78,467.00
Investing activities	(42,957.00)
Financing activities	(27,332.00)
Net increase in cash and cash equivalents	**8,178.00**

54. TRANSITION TO IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with customers" which resulted in changes in the revenue recognition accounting policy and adjustments to the amounts recognised in the financial statements.

In accordance with the transition provisions in Ind AS 115, the Group has adopted the new standard retrospectively using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

In summary, the following adjustments were made:

Balance Sheet as on 1 April, 2018: (₹ in Lacs)

Financial line item	Ind AS 18-Carrying Amount	Re-measurement	Ind AS 115-Carrying Amount
Other Equity	2,72,002.05	(3,982.24)	2,68,019.81
Non-Current Liability: Revenue Received in Advance	-	5,052.00	5,052.00
Current Liability: Revenue Received in Advance	-	630.00	630.00
Investments in equity accounted investees	59,120.98	286.24	58,834.74
Deferred Tax (Asset)	-	(1,986.00)	(1,986.00)

Balance Sheet as on 31 March, 2019: (₹ in Lacs)

Financial line item	Ind AS 18-Carrying Amount	Re-measurement	Ind AS 115-Carrying Amount
Other Equity	3,78,592.93	(4,391.00)	3,74,201.93
Non-Current Liability: Revenue Received in Advance	-	5,954.00	5,954.00
Current Liability: Revenue Received in Advance	-	796.00	796.00
Deferred Tax (Asset)	-	(2,359.00)	(2,359.00)

Statement of profit or loss for the year ended March 31, 2019 (₹ in Lacs)

Financial line item	Values	Re-measurement	Values
Revenue from contracts with customers	9,56,394.26	(1,068.00)	9,55,326.26
Income tax expense	51,810.84	(373.20)	51,437.64
Profit for the period	1,19,734.30	(694.80)	1,19,039.50

Explanation of the Re-measurement Adjustment:

Connection charges from customers deferred over the period when the performance obligation is satisfied:

Industrial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas over the tenure of the contract. Consequently, the connection charges is to be deferred over the contract period.

Domestic Customer: The connection charges is to be deferred over the period of delivery of gas. It is reasonably expected by the Group that the gas is procured by the customer and supplied by the Group on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years).

55. INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Subsidiaries

The Group's subsidiaries as at 31st March, 2019 are as below:

Name of Entity	Place of business	% of Effective ownership interest held by the Group		% of Effective ownership interest held by Non-Controlling Interest	
		31st march, 2019	31st march, 2018	31st march, 2019	31st march, 2018
Gujarat Gas Limited (GGL) (1)	India	54.17%	54.17%	45.83%	45.83%
Gujarat Gas Limited Employees Welfare Stock Option Trust (Trust)	India	54.17%	54.17%	45.83%	45.83%

1. Gujarat Gas Limited is a Government Company u/s 2(45) of Companies Act 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company is engaged in Natural Gas Business in Gujarat. Natural gas business involves distribution of gas from sources of supply to centres of demand and to the end customers. Refer Note 53 for acquisition of controlling stake in GGL accounted as common control transaction under Appendix C to Ind AS 103 - Business Combination.

Non-Controlling Interest

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

(₹ in Lacs)

Balance Sheet	GGL	
	31st March, 2019	31st March, 2018
Non-current Assets	6,12,094.05	5,96,135.00
Current Assets	1,03,659.00	70,043.00
Total Assets	**7,15,753.05**	**6,66,178.00**
Non-current Liabilities	3,27,531.00	3,29,695.00
Current Liabilities	1,67,695.00	1,49,845.00
Total Liabilities	**4,95,226.00**	**4,79,540.00**
Net Assets	**2,20,527.05**	**1,86,638.00**
Accumulated NCI	**1,01,075.78**	**85,543.03**

(₹ in Lacs)

Statement of profit and loss	GGL	
	31st March, 2019	31st March, 2018
Revenue	8,07,404.00	6,37,521.00
Profit for the year	41,845.00	29,244.00
Other Comprehensive Income	(209.00)	(4,008.00)
Total Comprehensive Income	**41,636.00**	**25,236.00**
Profit allocated to NCI	**19,179.20**	**21,710.18**
Dividend paid to NCI	**2,524.00**	**3,066.03**

(₹ in Lacs)

Statement of cash flows	GGL	
	31st March, 2019	31st March, 2018
Cash flows from operating activities	95,606.00	78,467.00
Cash flows from investing activities	(60,391.00)	(42,957.00)
Cash flows from financing activities	(34,942.00)	(27,332.00)
Net Increase/(Decrease) in cash and cash equivalents	**273.00**	**8,178.00**

Transactions with non-controlling interests

Refer note 53 for transaction with non-controlling interests.

Associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 March 2019 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in Lacs)

Name of Entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying Amount*	
					31st March 2019	31st March 2018
Sabarmati Gas Limited (1)	India	27.47%	Associate	Equity Method	13,080.73	10,765.42
GSPL India Gasnet Limited (2)	India	52.00%	Joint Venture	Equity Method	22,918.35	20,468.02
GSPL India Transco Limited (3)	India	52.00%	Joint Venture	Equity Method	20,229.66	20,178.43
Guj Info Petro Limited (4)	India	49.94%	Associate	Equity Method	2,606.00	2,468.00
Total equity accounted investments					**58,834.74**	**53,879.87**

* Unlisted entity - no quoted price available

1. Sabarmati Gas Limited is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Joint Venture Company (JVC) promoted by Gujarat State Petroleum Corporation Ltd. (GSPC), Gujarat State Petronet Ltd. (GSPL) and Bharat Petroleum Corporation Ltd. (BPCL), with its main objects, inter alia, to procure, transmit and sell Natural Gas, CNG, PNG and other gaseous fuels in the districts of Gandhinagar, Mehsana and Sabarkantha.
2. GSPL India Gasnet Limited was incorporated on 13th October 2011 under the Companies Act as a joint venture of Gujarat State Petronet Limited (GSPL). On 30th April,2012, a joint venture agreement was executed between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL(52%), IOCL(26%), BPCL(11%) and HPCL (11%). The Company is developing a natural gas pipeline for transmission of natural gas from Mehsana in Gujarat to Bhatinda in Punjab and Srinagar in Jammu & Kashmir. It is primarily engaged in transmission of natural gas through pipeline from supply points to demand centres.
3. GSPL India Transco Limited was incorporated on 13th October 2011 under the Companies Act, 1956 as a joint venture of Gujarat State Petronet Limited (GSPL). On 30th April 2012, a Joint Venture Agreement was executed between Gujarat State Petronet Ltd. (GSPL), Indian Oil Corporation Ltd. (IOCL), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd.(HPCL). The share holding pattern is GSPL(52%), IOCL(26%), BPCL(11%) and HPCL(11%). The Company is developing a natural gas pipeline for transmission of natural gas from Mallavarm in Andhra Pradesh to Bhilwara in Rajasthan.
4. GIPL is primarily engaged in the marketing, selling value distribution of internet bandwidth and added services like web hosting, designing, development & maintenance of websites, IT consultancy services, software development, server co-location, mailing solutions, operation & maintenance of systems/networks, trading in hardware equipments, facility management services etc. to various organisations across Gujarat.

Commitments and contingent liabilities in respect of associates and joint ventures (₹ in Lacs)

Particulars	31st March, 2019	31st March, 2018
Commitments - joint ventures	1,45,440.91	30,719.88
Commitments - associates	2,604.03	1,727.46
Contingent liabilities - joint ventures	3,707.54	3,400.22
Contingent liabilities - associates	2,867.76	2,329.81
Total commitments and contingent liabilities	**1,54,620.24**	**38,177.37**

Summarised financial information for associate and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies, if any.

(₹ in Lacs)

Summarised balance sheet as at 31st March, 2019	GIPL	SGL	GIGL	GITL
Current Assets				
Cash and cash equivanlents	*	*	2,536.43	1,266.21
Other assets	*	*	3,849.93	1,053.90
Total current assets	**5,665.00**	**10,180.17**	**6,386.36**	**2,320.11**
Total non-current assets	**560.00**	**67,009.78**	**1,50,126.68**	**82,231.91**
Current liabilities				
Financial liabilities (excluding trade payables)	*	*	17,243.24	13,450.27
Other liabilities	*	*	1,342.75	489.94
Total current liabilities	**840.00**	**18,436.74**	**18,585.99**	**13,940.21**
Non-current liabilities				
Financial liabilities (excluding trade payables)	*	*	92,595.53	31,384.87
Other liabilities	*	*	1,257.77	323.74
Total non-current liabilities	**167.00**	**11,126.91**	**93,853.30**	**31,708.61**
Net Assets	**5,218.00**	**47,626.30**	**44,073.75**	**38,903.20**

*** Indicates disclosures that are not required for investments in associates**

(₹ in Lacs)

Summarised balance sheet as at 31st March, 2018	GIPL	SGL	GIGL	GITL
Current Assets				
Cash and cash equivanlents	*	*	5,296.27	2,113.98
Other assets	*	*	1,003.12	2,923.89
Total current assets	**5,568.00**	**11,058.04**	**6,299.39**	**5,037.87**
Total non-current assets	**424.00**	**53,692.89**	**85,226.76**	**37,867.57**
Current liabilities				
Financial liabilities (excluding trade payables)	*	*	18,016.17	3,741.88
Other liabilities	*	*	540.09	163.63
Total current liabilities	**980.00**	**15,861.31**	**18,556.26**	**3,905.51**
Non-current liabilities				
Financial liabilities (excluding trade payables)	*	*	33,407.07	-
Other liabilities	*	*	201.24	195.25
Total non-current liabilities	**71.00**	**9,693.24**	**33,608.31**	**195.25**
Net Assets	**4,941.00**	**39,196.38**	**39,361.58**	**38,804.68**

*** Indicates disclosures that are not required for investments in associates**

Reconciliation to carrying amounts (₹ in Lacs)

Particulars	GIPL	SGL	GIGL	GITL
Net assets as on 31 March 2019	**5,218.00**	**47,626.30**	**44,073.75**	**38,903.20**
Company's Share in %	49.94%	27.47%	52.00%	52.00%
Company's Share in INR	2,606.00	13,080.73	22,918.35	20,229.66
Goodwill	-	-	-	-
Carrying amount as on 31 March 2019	**2,606.00**	**13,080.73**	**22,918.35**	**20,229.66**
Net assets as on 31 March 2018	**4,941.00**	**39,196.38**	**39,361.58**	**38,804.68**
Company's Share in %	49.94%	27.47%	52.00%	52.00%
Company's Share in INR	2,468.00	10,765.42	20,468.02	20,178.42
Goodwill	-	-	-	-
Carrying amount as on 31 March 2018	**2,468.00**	**10,765.42**	**20,468.02**	**20,178.43**

Summarised statement of profit and loss for the year ended on 31st March, 2019 (₹ in Lacs)

Particulars	GIPL	SGL	GIGL	GITL
Revenue	**1,848.00**	**1,13,133.20**	**2,580.48**	-
Interest income	*	*	393.82	165.48
Depreciation and amortisation expenses	*	*	2,377.09	-
Interest expenses	*	*	3,186.20	-
Income tax (expenses) / Credit	*	*	1,062.59	(43.02)
Profit / (Loss) for the year	**298.00**	**10,047.89**	**(2,780.45)**	**98.52**
Other comprehensive income / (loss)	(6.00)	(2.04)	(7.38)	-
Total comprehensive income / (loss)	**292.00**	**10,045.85**	**(2,787.83)**	**98.52**
Dividend received	-	137.32	-	-

*** Indicates disclosures that are not required for investments in associates**

Summarised statement of profit and loss for the year ended on 31st March, 2018 (₹ in Lacs)

Particulars	GIPL	SGL	GIGL	GITL
Revenue	**1,478.00**	**84,950.12**	-	-
Interest income	*	*	174.34	234.00
Income tax (expenses)/ credit	*	*	(48.61)	(66.53)
Profit for the year	**249.00**	**8,431.74**	**90.05**	**134.70**
Other comprehensive income	8.00	4.44	-	-
Total comprehensive income	**257.00**	**8,436.18**	**90.05**	**134.70**
Dividend received	-	109.86	-	-

* Indicates disclosures that are not required for investments in associates

56. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

(₹ in Lacs)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Gujarat State Petronet Limited								
31 March 2019	35.49%	1,52,828.96	63.72%	75,857.63	65.09%	(397.82)	63.72%	75,459.81
31 March 2018	27.26%	89,507.90	66.97%	64,186.55	-1.48%	58.62	69.91%	64,245.17
Subsidiary								
Indian								
Gujarat Gas Limited								
31 March 2019	27.64%	1,19,022.06	18.96%	22,573.72	18.26%	(111.58)	18.97%	22,462.14
31 March 2018	30.62%	1,00,566.74	7.78%	7,457.98	26.21%	(1,034.71)	6.99%	6,423.27
Gujarat Gas Limited Employees Welfare Stock Option Trust								
31 March 2019	0.01%	31.96	0.01%	11.37	0.00%	-	0.01%	11.37
31 March 2018	0.01%	20.58	0.01%	8.12	0.00%	-	0.01%	8.12
Non-Controlling Interest in all subsidiaries								
31 March 2019	23.47%	1,01,075.78	16.11%	19,179.20	15.67%	(95.79)	16.11%	19,083.41
31 March 2018	26.05%	85,543.03	22.65%	21,710.18	75.36%	(2,975.46)	20.39%	18,734.72
Associates (Investments as per the equity method) **Indian**								
Sabarmati Gas Limited								
31 March 2019	3.04%	13,080.73	2.29%	2,731.46	0.09%	(0.56)	2.31%	2,730.90
31 March 2018	3.28%	10,765.42	2.39%	2,293.44	-0.03%	1.21	2.50%	2,294.65
Guj Info Petro Limited								
31 March 2019	0.33%	1,411.57	0.07%	80.71	0.27%	(1.63)	0.07%	79.08
31 March 2018	0.41%	1,335.29	0.07%	67.71	-0.05%	2.17	0.08%	69.88
Joint Ventures (Investments as per the equity method) **Indian**								
GSPL India Gasnet Limited								
31 March 2019	5.32%	22,918.35	-1.21%	(1,445.83)	0.63%	(3.84)	-1.22%	(1,449.67)
31 March 2018	6.23%	20,468.02	0.05%	46.83	0.00%	-	0.05%	46.83
GSPL India Transco Limited								
31 March, 2019	4.70%	20,229.66	0.04%	51.23	0.00%	-	0.04%	51.23
31 March, 2018	6.14%	20,178.43	0.07%	70.04	0.00%	-	0.08%	70.04
Total								
31 March, 2019	100.00%	4,30,599.07	100.00%	1,19,039.50	100.00%	(611.22)	100.00%	1,18,428.28
31 March, 2018	100.00%	3,28,385.41	100.00%	95,840.86	100.00%	(3,948.17)	100.00%	91,892.69

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637
Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

FORM AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

State containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part - A: Subsidiaries

(₹ in Lacs)

Sr. No.	Particulars	Gujarat Gas Limited
1	Reporting period for the subsidiary Company	31 March, 2019
2	Reporting currency and Exchange rate as on the last date of the relevant financial in the case of foreign subsidiaries	NA
3	Share Capital	13,768
4	Share Application Money Pending Allotment	0
5	Other Equity	2,06,759
6	Total Assets	7,15,753
7	Total Liabilities	7,15,753
8	Investments	4,208
9	Turnover	7,96,248
10	Profit Before Taxation	59,562
11	Provision for Taxation	17,717
12	Profit after Taxation	41,845
13	Proposed dividend	6,884
14	% of Share Holding	54.17%

1. Name of the subsidiaries which are yet to commence operations: NA
2. Name of the subsidiaries which have been liquated or sold during the year: NA

Part – B: Associates and Joint Ventures

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

(₹ in Lacs)

Sr. No.	Particulars	GSPL India Gasnet Limited*	GSPL India Transco Limited*	Sabarmati Gas Limited
1	Latest Audited Balance Sheet Date	31 March, 2019	31 March, 2019	31 March, 2019
2	Shares of Associate/Joint Ventures held by the company on the year end (in No.)	24,02,50,060	19,81,20,000	54,93,070
3	Amount of Investment in Associates/Joint Venture	24,025.01	19,812.00	6,739.70
4	Extend of Holding %	52.00%	52.00%	27.47%
5	Description of how there is significant influence	By holding more than 20% of voting power		
6	Reason why the associate/joint venture is not consolidated	NA	NA	NA
7	Networth attributable to Shareholding as per latest audited Balance Sheet	22,918.35	20,229.66	13,080.72
8	Profit / (Loss) for the year:	(2,787.83)	98.52	10,045.85
i.	Considered in Consolidation	(1,449.67)	51.23	2,730.90
ii.	Not Considered in Consolidation	(1,338.16)	47.29	7314.95

**Though as per provision of Section 2 (87) (ii) of the Companies Act 2013, GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL) fall within the meaning of subsidiary company; as per guidance of Indian Accounting Standard GIGL and GITL fall within criteria of Joint Venture and accordingly they have been considered as Joint Venture for the purpose of disclosures and compliances*

1. Name of associates or joint ventures which are yet to commence operations: GSPL India Transco Limited
2. Names of associates or joint ventures which have been liquidated or sold during the year: NA

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

Chirag J Patel
Partner
Membership No.115637

Place : Ahmedabad
Date : 9th May, 2019

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Gandhinagar
Date : 9th May, 2019

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ATTENDANCE SLIP

GUJARAT STATE PETRONET LIMITED

(CIN: L40200GJ1998SGC035188)
Registered Office: GSPC Bhavan, Sector - 11, Gandhinagar - 382010.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*	Master Folio No.
Client Id*	No of Shares held

** Applicable for the Shareholders Shares in the Demat Form*

NAME AND ADDRESS OF THE SHAREHOLDER

____

____

I hereby record my presence at the **21ST ANNUAL GENERAL MEETING** of the Company held on Tuesday, the 24th September, 2019 at 3.30 P.M. at Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector-11, Gandhinagar - 382 010.

____

Signature of the Shareholder or Proxy

ROUTE MAP

AGM VENUE :

Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector - 11,
Gandhinagar - 382 010

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PROXY FORM
MGT – 11
GUJARAT STATE PETRONET LIMITED

(CIN: L40200GJ1998SGC035188)

Registered Office: GSPC Bhavan, Sector -11, Gandhinagar - 382 010.

[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 No.: ______________ DP ID No.: ______________

I/We, being the Member (s), holding of ____________Shares of the above named Company, hereby appoint:

1. Name: ______________ Address: ______________

   E-mail Id: ______________ Signature: ______________, or failing him/her

2. Name: ______________ Address: ______________

   E-mail Id: ______________ Signature: ______________, or failing him/her

3. Name: ______________ Address: ______________

   E-mail Id: ______________ 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 21ST ANNUAL GENERAL MEETING of the Company, to be held on Tuesday, the 24th September, 2019 at 3.30 p.m. at Assembly Hall, GSPC Bhavan, Behind Udyog Bhavan, Sector - 11, Gandhinagar - 382 010 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1	To receive, consider and adopt the Audited Financial Statements *(Standalone & Consolidated)* of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
2	To declare Dividend on Equity Shares.
3	To appoint a Director in place of Shri M M Srivastava, IAS (Retd.) [DIN: 02190050] who retires by rotation and being eligible offers himself for re-appointment.
4	To authorize Board of Directors to fix remuneration of Statutory Auditors of the Company in terms of the provisions of Section 142 of the Companies Act, 2013.
Special Business	
5	To approve appointment of Smt. Shridevi Shukla [DIN: 02028225] as an Independent Director of the Company.
6	To approve re-appointment of Prof. Yogesh Singh [DIN: 06600055] as an Independent Director of the Company.
7	To approve re-appointment of Dr. Bakul Dholakia [DIN: 00005754] as an Independent Director of the Company and to approve continuance of his directorship after attainment of 75 years of age.
8	To ratify the remuneration payable to M/s N D Birla & Co., Cost Auditors of the Company for the Financial Year ending 31st March, 2020.
9	To approve payment of remuneration to Shri M M Srivastava, IAS (Retd.), Non-Executive Chairman, [DIN: 02190050].

Signed this __________ day of ____________ 2019.

Signature of Shareholder(s) ____________ Signature of Proxy holder(s) ____________

Affix
Revenue
Stamp

NOTE:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.

If Undelivered, please return to:

Gujarat State Petronet Limited

(Corporate Identity Number : L40200GJ1998SGC035188)

Corporate Office :
GSPL Bhavan, E-18,
GIDC Electronics Estate, Sector - 26 , Gandhinagar - 382028.

Tel. : 079 - 23268500/600

Fax : 079 -23268506

Email : investors.gspl@gspc.in

www.gspcgroup.com

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