

GREEN GAS LIMITED

(A Joint Venture of GAIL (India) Ltd. & IOCL)

CIN No.: U23201UP2005PLC30834

Annual Report

2017-18

2017-18



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

Board of Directors



Mr. G.K. Satish
Chairman



Mr. Jiledar
Managing Director



Mr. B.A. Reddy
Director (Commercial)



Prof. Deepak Kunzru
Independent Director



Mr. Narendra Singh
Independent Director



Mr. A.K. Tiwari
Nominee Director

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
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BOARD OF DIRECTORS

Mr. G.K. Satish
Chairman**Mr. Jiledar**
Managing Director**Mr. B.A. Reddy**
Director (Commercial)**Prof. Deepak Kunzru**
Independent Director**Mr. Narendra Singh**
Independent Director**Mr. A.K. Tiwari**
Nominee DirectorCost Auditor
M/s Sunil Singh & Co.Secretarial Auditor
Tanu AgarwalStatutory Auditor
M/s R.M. Lall & Com.
Chartered Accountants

BANKERS

ICICI Bank Ltd.
Gomti Nagar Branch
3/64, Vivek Khand
Gomti Nagar,
Lucknow - 2260010
Uttar Pradesh**State Bank of India**
Commercial Branch
6-A, Way Road,
Gokhale Marg,
Lucknow - 226001
Uttar Pradesh**Axis Bank Ltd.**
102/44, Hewett Road
Shivaji Marg,
Lucknow - 226001
Uttar Pradesh**Yes Bank Ltd.**
Tulsi Complex
12, Rani Laxmibai Marg,
Hazratganj, Lucknow - 226001
Uttar Pradesh

REGISTERED OFFICE

Fortuna Tower, 2nd Floor, 10, Rana Pratap Marg, Lucknow - 226001

**Green Gas Limited**

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Message from Chairman

Dear Share Holders,

It gives me great pleasure to share with you the performance of your Company for the year 2017-18. The efforts of the Government of India towards sustainable economic growth with energy / power to all, while simultaneously dealing with the global threat of climate change as well as commitment towards reduction of Carbon footprints, is resulting in a rapid change in our country's energy landscape, where focus has now shifted to reducing the carbon footprint and promoting greener, cleaner and more environment friendly energy options.



G.K. Satish
Chairman

This augurs well for the industry in which your Company is operating. The fundamentals of our industry in general and your Company in particular are strong, as natural gas is playing an important role in our Government's efforts to reinvigorate the economy, spur new investments, create jobs and lay the foundation for a greener and more secure energy future.

The financial performance of your Company during the year 2017-18 was robust. The Company registered a 30% growth in its gross turnover of Rs 285.08 crore during the financial year as against Rs 219.5 crore during the previous year. However, largely on account of higher input cost coupled with higher employee cost and depreciation, the profit after tax remained almost flat at Rs 43.54 crore during the year 2017-18 as against Rs 44.78 crore during the previous year.

Your Company successfully scaled up its infrastructure during the year in its area of operations in the cities of Agra and Lucknow, despite encountering several challenges like complex civil infrastructure, limited construction windows, requirement of statutory permissions from local authorities at every stage, etc.

The sales and marketing teams of your Company achieved significant success in adding new customers during the year, registering a growth of 519% in the Piped Natural Gas (Domestic) segment vis-a-vis previous year. The total PNG (D) customers as on 31.3.2018 was 41,565 which was a result of addition of 25,365 new customers during the year 2017-18. Your Company also added 57 new Industrial & Commercial customers during 2017-18, thereby recording a growth of 470% w.r.t previous year.

A total of 31 CNG stations were operational as on 31.3.2018, of which 5 stations in Agra and 7 stations in Lucknow were commissioned during the year 2017-18. Your Company purchased land at 3 locations in Lucknow for establishment of new CNG Mother Stations. Your Company has on date created Compression Capacity of 3,92,388 Kgs/day.

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Your Company will continue to aggressively add more PNG connections and CNG fueling stations in pursuit of significant overall growth in the Company's operations. Recently, your Company received authorization from the Petroleum & Natural Gas Regulatory Board for development of City Gas Distribution network in Unnao (excluding areas already authorized) and Faizabad & Sultanpur Districts.

Your Company was adjudged "The Most Progressive Gas Utility" by India Smart Grid Forum in March 2018. The Company also received OHSAS 18001:2007 Certification for Occupational Health & Safety Management System & ISO 14001:2015 Certification for Environmental Management System.

GAIL and Indian Oil are the promoters of your Company. I take this opportunity to thank both these Maharatna Companies for their continued support. I also thank the Ministry of Petroleum & Natural Gas, Government of India, the Government of Uttar Pradesh and Petroleum & Natural Gas Regulatory Board for their co-operation and support in the growth of the Company.

I also express my gratitude and thanks to our esteemed customers and shareholders for their valuable and continued support, that helped Green Gas Ltd. to continuously enhance its growth and forge ahead.

My sincere thanks are also to my colleague Directors on the Board, Shri A.K. Tiwari, Shri Jiledar, Managing Director and Shri B.A. Reddy, Director (Commercial) for their valuable and significant contribution to the growth of the Company. I also wish to place on record my sincere thanks to Shri Narendra Singh and Dr. Deepak Kunzru, who have retired as Independent Directors of your Company after completing their tenure, for their valuable guidance and insights.

I am confident that with the continued guidance and support from the promoters and the shareholders of Green Gas Ltd., the Company would continue to achieve greater heights in the times to come.

G.K. Satish
Chairman
Green Gas Limited





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Message from Managing Director

Dear Stakeholders,

Australian Environmentalist once said 'THE FUTURE WILL EITHER BE GREEN OR NOT AT ALL'

Natural gas is the cleanest of all fossil fuels and, when used directly by energy consumers. To top it all, natural gas is affordable. Our mission is to provide safe, convenient and reliable gas supply to our customers in transport, domestic, commercial and industrial sector.



Jiledar
Managing Director

Our journey till date has been marked by several significant successes. We not only met each of our customer's expectations but have also exceeded the same resulting in a notable improvement in new customer additions in 2017-18. The total 25365 Nos. of PNG (D) new customers were added, 12 Nos. of CNG Stations were commissioned during financial year 2017-18

As on 31st March 2018, total PNG (D) are 41,565 Nos. and CNG stations 34 Nos. in both GAs (Lucknow & Agra) We improved our customer acquisition process, reducing the time required to serve domestic as well as commercial customers and more quickly respond to customer needs.

We will continue our efforts to become the most trusted and reliable energy service provider available to our existing and prospective customers in the geographical areas in which we operate. Our value proposition is our sales and delivery services and we will continue our focus on attaching and converting energy consumers from conventional energy to comfortable, affordable and clean natural gas.

Green Gas Limited believes that Corporate Social Responsibility (CSR) plays a major role in the development of any society. Therefore, it has made Corporate Social Responsibility (CSR) an integral part of its ethos and culture. Company has implemented CSR programs primarily in the field of promoting, education, skill development, sanitation etc. which are in close proximity to the major work centers/installations of your Company.



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Moving forward, Green Gas Limited will continue to focus on its business objective of increasing the penetration in the geographies in which it operates and new geographies recently awarded with the focus on expeditious rollout of infrastructure so as to spread our reach in terms of domestic customer base as well as setting up of new CNG stations thereby expanding our network to reach all our customer segments in the authorized geographical areas.

In the end, on behalf of the entire Board of Directors of the company, entire management team and its employees, I would like to thank all our Promoters, our customers, vendors, stakeholders and our esteemed shareholders for reposing faith on us.

My sincere thanks to Chairman and my colleague Directors on the Board for their guidance, and support. My humble gratitude to each and every employee of Green Gas Limited for their striving hard with dedication and sincerity to achieve the company's Goals and objectives. We look forward to achieve greater heights with your continuous support.

Jiledar
Managing Director
Green Gas Limited





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Vision

To make Green Gas Limited an unparalleled natural gas distribution company eco-friendly and clean fuel to transport, domestic, commercial and industrial sectors, with a total commitment to provide quality service to its customers.

Mission

To provide safe, convenient and reliable gas supply to our customers in transport, domestic, commercial and industrial sectors.

To provide a cleaner and environment friendly auto fuel to clients.

To facilitate conversions of commercial and private vehicles to CNG through external agencies by

1. Making available the quality kits; and
2. Creating a network of workshops to undertake reliable and speedy conversion to CNG





Addressing CFO Meet of GAIL JV's Hosted by GGL



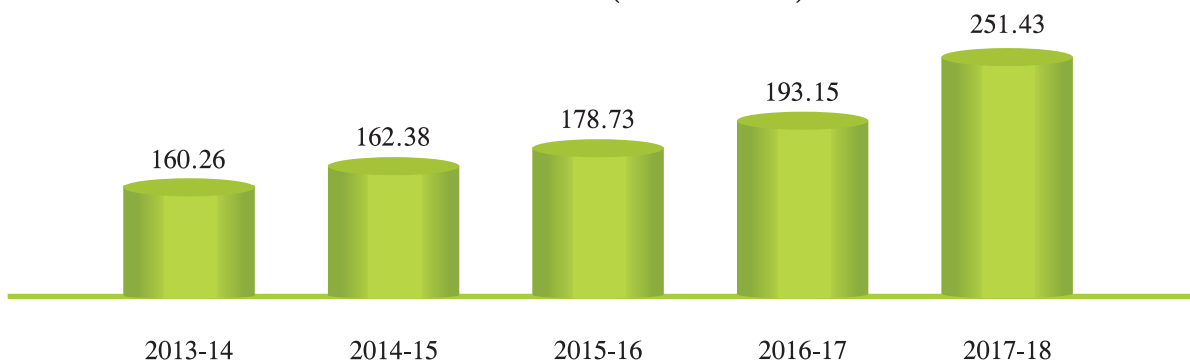
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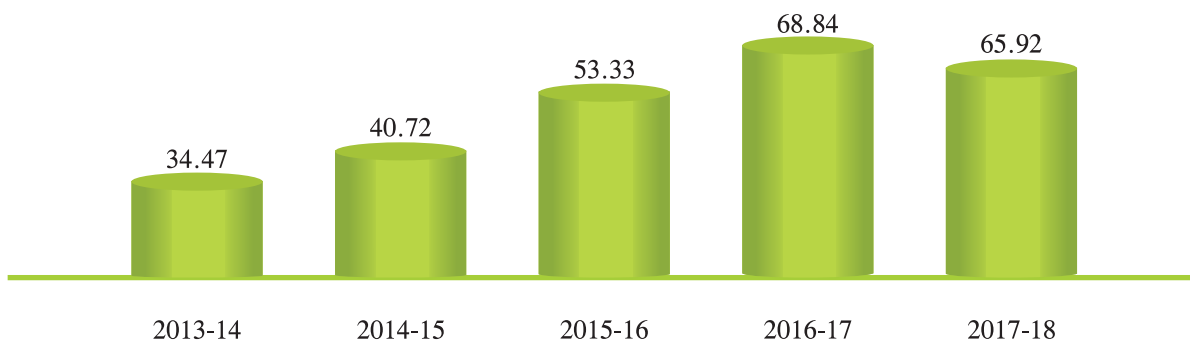
KEY HIGHLIGHTS

Sales Turnover	Rs 251.43 Crore
PBT	Rs 65.92 Crore
PAT	Rs 43.54 Crore

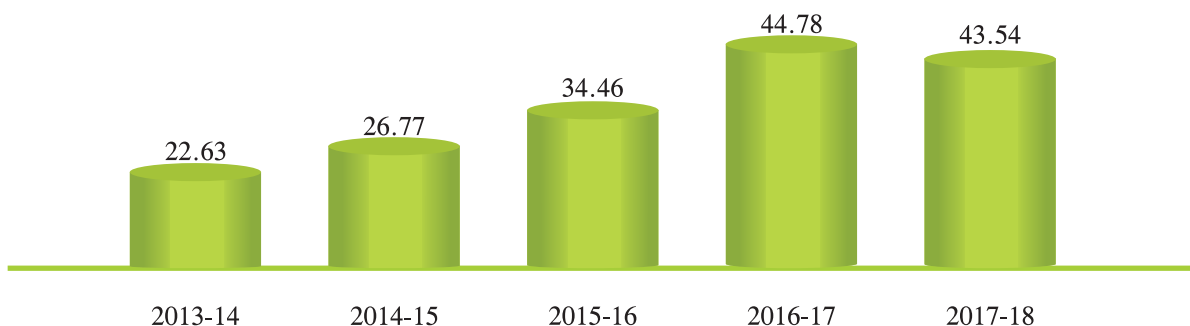
Sales Turnover (In Rs. Crore)



PBT (In Rs. Crore)



PAT (In Rs. Crore)





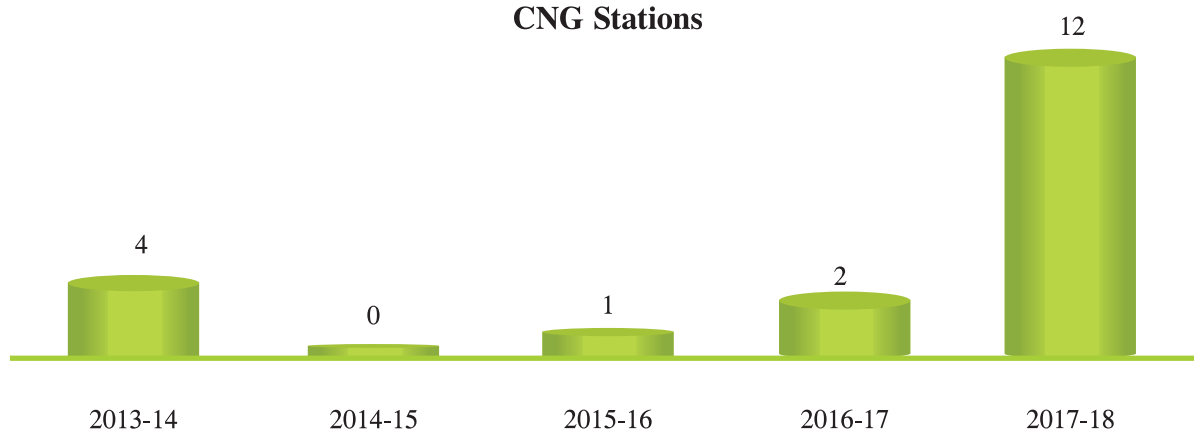
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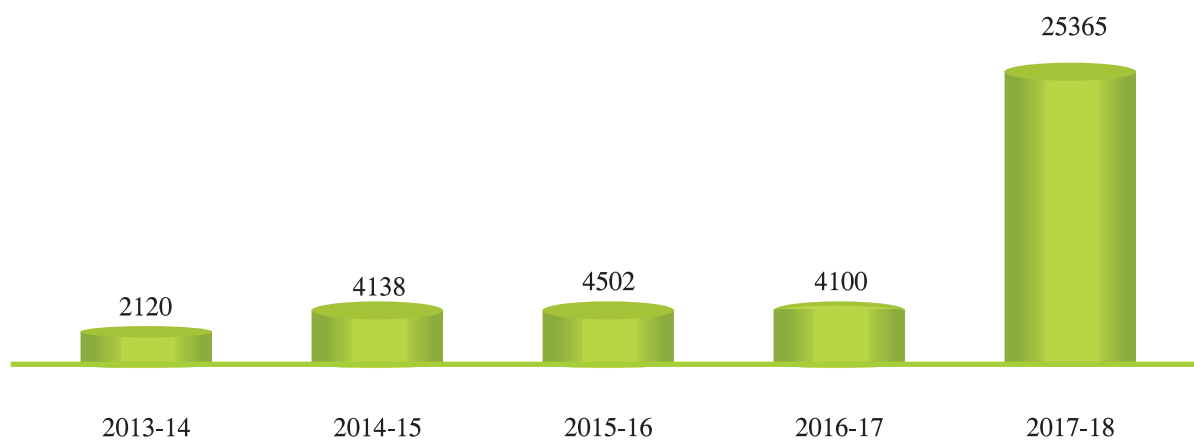
KEY HIGHLIGHTS

CNG Stations commissioned	12 Nos.
PNG Connections	25365 Nos.
PNG (I & C)	57 Nos.
CNG Sale	935 SCM (In Lacs)
PNG Sale	51 SCM (In Lacs)

CNG Stations



PNG D Connections



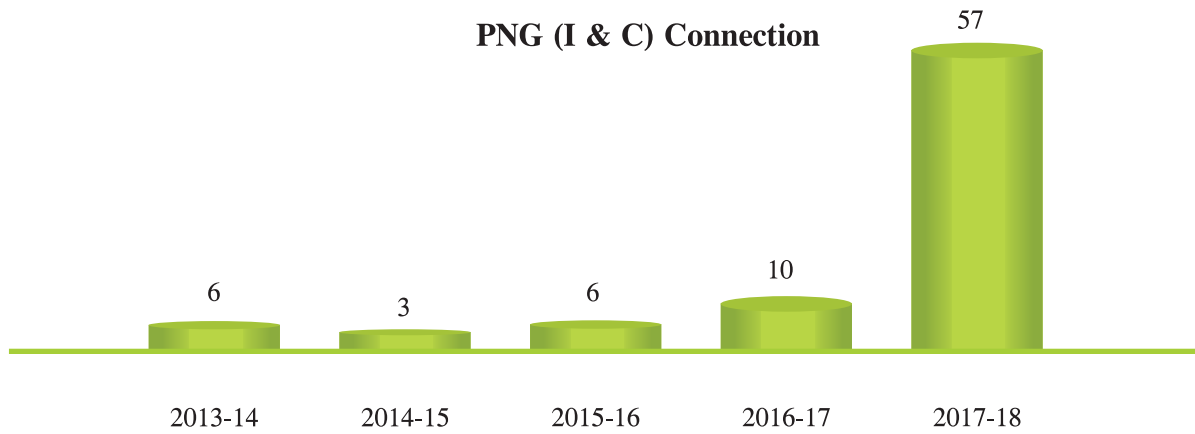


Green Gas Limited

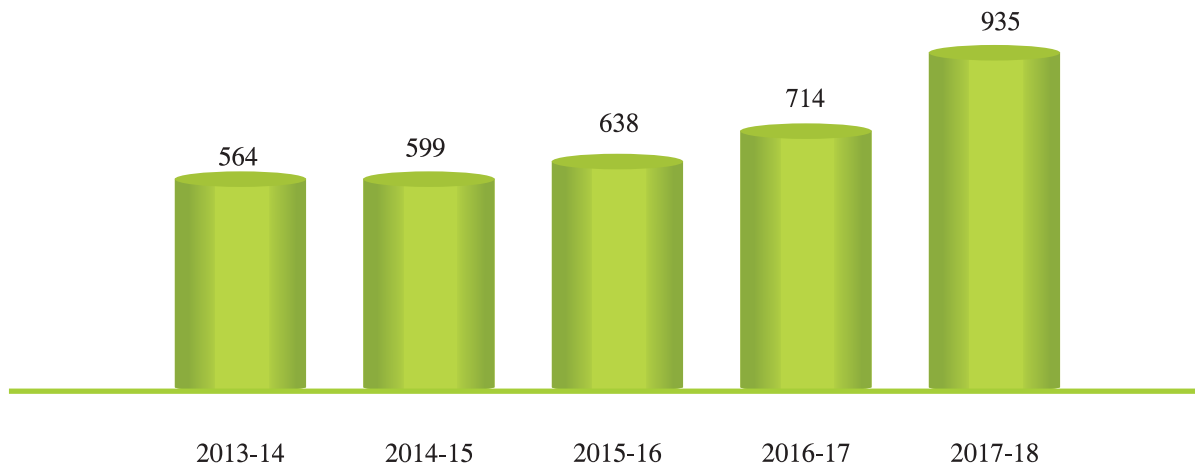
(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

KEY HIGHLIGHTS

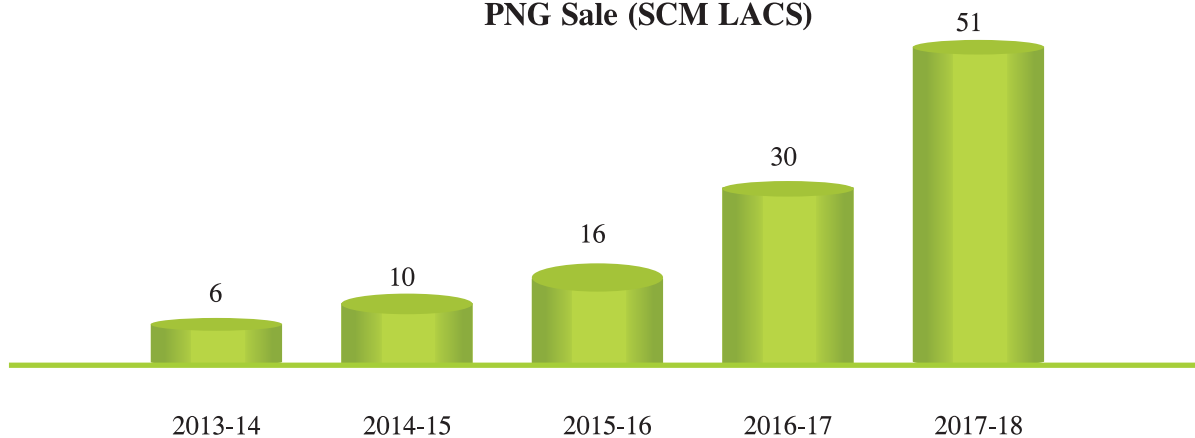
PNG (I & C) Connection



CNG Sale (SCM LACS)



PNG Sale (SCM LACS)





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12th Annual General Meeting of all the shareholders held on 27.09.2017



Accredited with Gold Award for Most Gas Progressive Utility in India for 2018

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DIRECTORS' REPORT

(For the year ended March 31, 2018)

To,
The Members,

Your Directors have pleasure in presenting the 13th Annual Report of your company together with the Audited Financial Statements for the Financial Year ended 31st March 2018.

The Directors are pleased to share with you that your Company has maintained sustainable growth and earned profit in the Financial Year 2017-18.

1. NATURE OF BUSINESS

Green Gas Limited (GGL) is a joint venture company of GAIL (India) Limited (GAIL) and Indian Oil Corporation Limited (IOCL). It is committed in supplying safe and uninterrupted natural gas to domestic, commercial, industrial and automotive sector at Lucknow and Agra cities of Uttar Pradesh.

During the year under review, there was no change in the nature of the business of the company.

2. PERFORMANCE OF THE COMPANY (FINANCIAL REVIEW)

GGL's summarized financial performance for the year ended 31st March 2018 is given as under :

(₹ in Crore) *

S.No	Particulars	2016-17	2017-18
1	Sales and Operating Income	219.50	285.08
2	Excise Duty	26.35	33.65
3	Net Sales (1 - 2)	193.15	251.43
4	Other Income	4.69	6.88
5	Total Revenue (3 + 4)	197.84	258.31
6	Raw Material Consumed	93.00	138.04
7	Operating & Other Expenses	29.17	45.30
8	Total Expenses	122.18	183.34
9	PBDIT (5-8)	75.66	74.97
10	Depreciation and Amortization	6.80	9.05
11	Interest and finance charges	0	0
12	Prior Period Expenses/Exceptional Item	(0.02)	0.52
13	PBT (9-10-11-12)	68.84	65.92
14	Income Tax	21.80	19.02
15	Deferred Tax	2.26	3.89
16	PAT (13-14-15)	44.78	43.54
17	Profit/(loss) brought forward	161.94	206.72
18	Profit/ (loss) available for appropriation	206.72	244.68
19	Balance carried to Balance Sheet	206.72	244.68
20	Operating Margins	39.17%	29.82%

* Figures rounded off.

**3. DIVIDEND**

The company's business is yet to expand to reach to various Charge Areas in the cities of Agra and Lucknow and the Company requires funds for laying infrastructure. Hence, the Board of Directors does not recommend any dividend for the current financial year.

4. DEPOSITS

The Company has not accepted any Deposits in terms of the provisions of the Companies Act, 2013 read with Companies acceptance of Deposits Rules, 2014 and as such, no amount of principal or interest payment was outstanding as on the Balance Sheet date.

5. RESERVE

During the year under review, your Company has not transferred any amount to reserve. The Company proposes to retain the entire amount of profits in the Profit and Loss Account.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

7. EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure A.

8. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

The details of Contract or arrangements with related parties referred in Sec. 188(1) of Company act 2013 read with Companies (Meetings of Board and its powers) Rules 2014, which are required to be given in the form AOC-2 as per Annexure-B.

There is no material related party transactions made by the company which may have potential conflict with interest of the company at large.

9. STATE OF COMPANY'S AFFAIRS**a) Year in retrospect**

Your Company began its commercial operation of selling CNG from 2nd April 2006. In its twelfth year of operation, the Gross Turnover achieved by your company was Rs. 285.08 crores. The Profit after Interest, Depreciation, tax, operating expenses & extraordinary items was Rs. 43.54 crores in F. Y. 2017-18 as compared to a profit of Rs. 44.78 crores reported in the previous financial year 2016-17. The PAT margin fallen to 17.31% in FY 2017-18, as compared to 23.18% in FY 2016-17 mainly due to higher Gas cost, Employee cost and Depreciation of Assets capitalized during the year.

The Company has successfully continued scaling up of the infrastructure during the year under review in its areas of operation of Agra and Lucknow. Building infrastructure in the city has always been a challenge for your Company. The Company is also rapidly spreading its distribution infrastructure and connecting consumers in the suburban areas which are also within your Company's authorized Geographical Area. Growth has been maintained despite encountering complexities due to development of infrastructure by various other entities / authorities, limited construction window period of six months due to monsoons and delay in availability of statutory permissions from local authorities to build CGD infrastructure.

The use of Compressed Natural Gas (CNG) as a fuel can be promoted in the country by developing a number of CNG Corridors along Natural Gas Pipelines routes.

b) Challenges

A challenge before your Company would be to roll out its CGD infrastructure in a time bound manner to meet its regulatory targets. To address such challenge, your Company is focusing on upgrading its robust systems and processes, strengthening





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LAYING OF STEEL & MDPE PIPE LINES AT AGRA



Stringing For Chalesar Road



Tedibagia to Foundary Nagar



Kalindi Vihar 100 feet road



Raghuram Ananda Apartment



Vijay Nagar



Vijay Nagar

LAYING OF STEEL & MDPE PIPE LINES AT LUCKNOW



HDD At Budheshwar



Stringing at Hardoi Bypass Road



8" Steel Pipe Laying For MS Dubagga



DRS and Piping At Gomtinagar



MDPE Laying Cantonment



Stringing at IIM Bypass Road



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CNG MOTHER STATION

AGRA



Taj Nagari MS

LUCKNOW



Vridavan Yojna 1-MS



T. P. Nagar MS



Gomti Nagar-MS



Vyom Filling Station (OLS)



Amausi-MS



manpower and skill development. Further, some of the deterrents that are being addressed to the appropriate authority for example heavy restoration charges which is levied by various civic agencies, nodal agency for permission, uniform tax structure, etc. which must be taken care to ensure roll out its CGD infrastructure.

c) Business planning system

The Company has a rigorous business planning system to set targets and parameters for operations, which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

The performance of the company has been satisfactory when viewed in the light of changing regulatory and legal environment.

10. SHARE CAPITAL AND FINANCIAL CLOSURE OF GREEN GAS LIMITED

With allotment of equity share capital during financial year 2014-15, the paid-up and subscribed share capital of Green Gas Limited is Rs. 46.11 Crores (approximately). The Company during the year has not issued any Equity Shares. During the financial year 2017-18, GGL has not raised any fresh borrowing from Banks.

11. CAPITAL EXPENDITURE AND WORKING CAPITAL MANAGEMENT

As at 31st March 2018, the fixed and intangible assets, including capital work in progress, stood at Rs. 291.21 crores.

12. PERFORMANCE HIGHLIGHTS (LUCKNOW)

• **Sales Growth**

- Annual CNG Sales (in SCM) have increased to 119.41 % compared to last financial year.
- Annual PNG Sales (in SCM) have increased to 248.86 % compared to last financial year.

• **Infrastructure Growth**

- PNG Networks: Approx. 168.80 kms of pipeline networks were laid in the city.
- PNG Domestic Connections: 14276 nos. of households (Cumm. 20912 nos.) were connected with PNG supply.

PERFORMANCE HIGHLIGHTS (AGRA)

• **Sales Growth**

- Annual CNG Sales (in SCM) have increased to 116.64 % compared to last financial year.
- Annual PNG Sales (in SCM) have increased to 133.64 % compared to last financial year.

• **Infrastructure Growth**

- PNG Networks: Approx. 173.56 kms of pipeline networks were laid in the city.
- PNG Domestic Connections: 11089 nos. of households (Cumm. 20653 nos.) were connected with PNG supply.

13. BUSINESS PLAN FOR FINANCIAL YEAR 2018-19

LUCKNOW

The company has created CNG dispensing capacity of 250000 kg/day at Lucknow. The CNG sale at Lucknow is approximately 48 % of compression capacity.

There is a plan of connecting 28000 additional houses at Lucknow by March 2019.

Detailed planning of CGD activities at Lucknow for the Financial Year is presented below:

Sr. No.	Particulars	Plan for FY 18-19	Remarks
1.	New CNG Stations	18 Nos.	As per the MoPNG targets
2.	Steel Pipelines	46 kms.	As per approved Capex
3.	MDPE Pipelines	734 kms.	As per approved Capex
4.	PNG Dom. Connections	28000 nos.	As per the MoPNG targets
5.	PNG C&I Connections	50 nos.	PNG to Hotels, Restaurants, Hospitals, Industrial units etc.

**AGRA**

The company has created CNG dispensing capacity of 142388 kg/day at Agra. The CNG sale at Agra is approximately 42% of compression capacity.

There is a plan of connecting 27000 additional houses at Agra by March 2019. Detailed planning of CGD activities at Agra for the financial year is presented below:

Sr. No.	Particulars	Plan for FY 18-19	Remarks
1.	New CNG Stations	17 Nos.	As per the MoPNG targets
2.	Steel Pipelines	18 kms.	As per approved Capex
3.	MDPE Pipelines	234 kms.	As per approved Capex
4.	PNG Connections	27000 nos.	As per the MoPNG targets
5.	PNG C&I Connections	30 nos.	PNG to Hotels, Restaurants, Hospitals, Industrial units etc.

14. PETROLEUM AND NATURAL GAS REGULATORY BOARD AUTHORIZATION

Pursuant to the formation of Petroleum and Natural Gas Regulatory Board (PNGRB), on 1st October 2007, the PNGRB has stipulated regulations for authorizing entities to lay, build, operate or expand City or Local Natural Gas Distribution Networks.

Ministry of Petroleum & Natural Gas, Government of India has clarified vide its letter No. L-16019/7/08-GP dated 25th August 2008 to PNGRB that the Company is authorized by the Central Government to lay, build, operate or expand city gas distribution projects in Lucknow and Agra cities and in Taj Trapezium zone.

Subsequently, in accordance with the requirements of the PNGRB Regulations, PNGRB had granted authorization for Agra vide letter No. S-Infra/II/1/2008-Vol.II-Agra dated 12th November 2009.

15. PANORAMA OF CORPORATE PLAN & OUTLOOK

Your Company operates in the energy sector, which is a very vital component of the economy. Energy powers every other productive activity in the economy, whether it is agriculture, infrastructure, manufacturing or service sector. The demand for energy is growing at a rate that is much higher than the growth rate of the economy. The principal business of your Company is distribution of natural gas in the form of PNG & CNG, which is a cleaner fuel and helps users reduce the pollution level as compared to coal /liquid fuels.

Your company has established its operations in the cities of Lucknow and Agra. The ever-expanding customer base coupled with large unserved population provides a strong growth opportunity. Over the next five years, your Company would focus on increasing the penetration in the current authorized geographical area through higher number of domestic connections and more CNG stations along with expeditious rollout of CGD infrastructure.

Your company is continuously screening opportunity to enter into new market by participation in the bids invited by PNGRB from time to time.

Your company meets all the digitization requirements of MOP&NG which includes features like online customer registration, customer being able to track the status of her / his connection and dealer grievance redressal system.

Your Company has formulated a long term corporate plan. The major objective is to create a vigorous and growth oriented long term business that would maximize returns to the stake holder. The business plan has been prepared taking into consideration future business environment and value creating potential of the Company's business. It will be critical for your Company to expand its network and CNG station infrastructure in order to meet the growth in demand.

16. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo under the provisions



of section 134(1) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, are appended as Annexure-C.

17. PARTICULARS OF EMPLOYEES UNDER COMPANIES ACT, 2013

No employees were in receipt of the remuneration exceeding the limit as set out under section 197 (12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

Your Company does not have any subsidiaries and Joint venture companies as on 31st March, 2018.

19. EQUITY SHARE WITH DIFFERENTIAL RIGHTS, EMPLOYEES STOCK OPTION, SWEAT EQUITY SHARES

Your company has not issued any shares with differential voting rights or sweat equity or ESOPS in the financial year 2017-18.

20. DIRECTORS AND KEY MANAGERIAL PERSONNELS

During the year, the present term of Shri B. A. Reddy as the Whole-time Director holding the office of Director (Commercial) expired on 31st December, 2017. The Board has, subject to the approval of the Members in the next General Meeting of shareholders, approved the re-appointment of Shri B A Reddy as the Whole-time Director holding the office of Director (Commercial).

In accordance with the provisions of the Act and the Articles of Association of the company, Mr. Anjani Kumar Tiwari, Nominee Director of GAIL, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The company has received declarations from the Independent Director(s) individually confirming that they fulfill the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

The Independent Directors, Shri Narendra Singh & Shri Deepak Kunzru have completed their tenure of three years ended on July 30, 2018. The Board places on record its deep appreciation for the valuable services rendered and contribution made towards growth of the Company during their association.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company:

Shri Jileadar, Managing Director
Shri B A Reddy, Director (Commercial)

During the financial year, Shri S K Singh, Chief Financial Officer (KMP) resigned from the Company w.e.f. 28.06.2017.

Further, Shri Nikit Rastogi was appointed as Company Secretary (KMP) w.e.f. 7th April, 2018 and Shri Piyush Mishra was appointed as Chief Financial Officer (KMP) w.e.f. 28th July, 2018.

There being no other change in Directors and Key Managerial Personnel during the year.

21. BOARD EVALUATION

In line with the requirement of the Companies Act, 2013, the Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees. This evaluation was led by the Chairman of the Company with specific focus on the performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013. The Board evaluation was conducted through questionnaire having qualitative parameters and feedback based on ratings.

The board of directors has carried out an annual evaluation of its own performance, its committees and individual directors based on the criteria and frame work adopted by the Board. The results of such evaluation were placed before the Board. In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. The same was discussed in the board meeting. Performance evaluation of independent directors was done by the entire board, excluding the independent directors being evaluated.



22. CGD NETWORK SAFETY

One of the primary concerns with respect to gas distribution is the safety and security of the pipeline network. The mesh of pipelines being used to distribute the gas needs to be maintained at the highest operating and safety level, because any leak can lead to catastrophic accidents. The safety regulations/guidelines are given the highest priority while taking up the CGD activities. The safety guidelines have been framed by the Oil Industry Safety Directorate (OISD), a technical body under the Ministry of Petroleum and Natural Gas (MoP&NG).

OISD-179 sets the guidelines for safety requirement on compression, storage, handling, refueling on natural gas for use in automotive sector. All safety facilities at CNG stations are as per the guidelines of OISD-179. PESO also monitors safety compliances at CNG station during their visit to GGL sites. As on date, GGL has in place explosive licenses for all its CNG Stations.

All safety requirements in line with statutory obligations as per guidelines of PESO, PNGRB and other relevant codes/standards are being monitored and compliance of the same is being taken up from time to time. The process for Odorization as per PNGRB regulation has been initiated.

23. HEALTH, SAFETY, AND ENVIRONMENT (HSE)

Your Company continuously implements safety education and training programs for all its employees to spread awareness of safety culture. Safety is the prime motto of GGL. Your Company strongly promotes safety measures and actively strives to consolidate a firm safety culture.

Your Company is in the business of supplying Piped and Compressed Natural Gas that is environment friendly and safe. Whilst doing this, your Company adheres to high standards of Health, Safety, Environment and Security. Your Company complies with all legal and statutory requirements applicable to its operations as a minimum standard and aspires to attain recognized world-class performance.

Security management in your Company has evolved as the physical assurance process supporting its business. Rapid changes in socio-economic scenario led to a thorough reassessment of security management through risk assessment & reviews, especially focused on protection of critical infrastructure and support to key processes. Your Company has responded by evolving and adopting effective ways to incorporate security practices and programs into its overall business operations.

Security adequacy of your Company is continuously tested through reviews of its planning and organization and thereafter implementing the result of such reviews. These include risk and vulnerability assessments, threat information & appreciation, facility access controls, awareness training, incident management drills and exercises. The Security Management System is being audited periodically by highly reputed third party agencies to identify areas of improvement in security and vigilance measures.

Employee involvement in HSE decision-making process is a characteristic of a positive safety culture and has also been recognized as being fundamental to the successful implementation and sustainability of HSE management system.

Your Company promotes safety culture, where safety and health are understood to be, and are accepted as, the number one priority. Primary responsibility of your Company is always towards its people. We believe that safe behavior is essential for safety improvement and a good business performance cannot be achieved without a good performance in HSE.

24. CORPORATE GOVERNANCE

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

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



**25. SECRETARIAL STANDARDS OF ICSI**

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

26. AUDITORS & THEIR REPORTS

The matters related to Auditors and their reports are as under:

a) STATUTORY AUDITOR

In exercise of powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) vide its letter dated 19th July 2018 has appointed M/s S. Srivastava & Company, Chartered Accountants, Lucknow as Statutory Auditors of the Company for the financial Year 2018-19.

The Comptroller and Auditor General of India Auditors have conducted a supplementary audit under section 143(6)(a) of the Companies Act, 2013 on the financial statements of Green Gas Limited for the year ended 31st March 2018. No qualification, reservation and adverse remark given by C&AG Auditors in their Report.

M/s R. M. Lall & Co., Chartered Accountants, Lucknow, appointed as Statutory Auditors of the company for the financial year 2017-18 by CAG. The Statutory Auditors' Report to the shareholders has few qualifications/ Observations, which are replied below:

A) Qualified Opinion:

Goods & Service Tax (GST) liability on Late Delivery charges from Vendors and Extra GI pipeline charges charged from Customers as Income.

Reply on Qualified Opinion

Goods and Services Tax is newly introduced Tax reform and the company is in the process of getting clarifications on various interpretations of Act.

- 1) Preliminary opinion on Liability towards GST due to imposition of late delivery clause does not arise as this is getting accounted as reduction in opex/capex cost. However, Company is in discussion with the senior consultants and will discharge liability if any arise as per the Act.
- 2) On Extra income due to extra GI pipeline charges charged from Customers, Company will discharge its liability towards GST.

B) Emphasis of Matter:**(A) CLAIM OF SPURLINE CHARGES FROM GAIL (INDIA) LTD:**

Matter has been regularly followed up with GAIL for the settlement of the matter. It was informed verbally by GAIL that GGL is not the only company where issue of spur line charges is pending and same can only be settled for all companies after finalization of zonal tariff by Petroleum & Natural Gas Regulatory Board (PNGRB).

Other comments referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

b) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the relevant provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Tanu Agarwal, Company Secretaries, Lucknow, to act as the Secretarial Auditor of the Company for the financial year 2017-18. The Report of Secretarial Auditor for the financial year 2017-18 is appended as Annexure-D to this report.

The Secretarial Auditor, in its report has made observation on following, which are replied as under:

- 1) Delay in filing of certain E-forms with MCA and disclosures required to be stated in certain e-forms: The Management have taken adequate steps to develop internal compliance tracker for ensuring the timely filing of e-



forms with MCA. Further, there were few instances where due to technical lapses that occurred inadvertently, certain e-forms could not be submitted within time and efforts are made to disclose all the information's in future.

- 2) Unspent CSR amount out of allocated funds: This is to inform that the Company has allocated Rs. 111.45 Lakhs (approx.) as against required amount of Rs. 109 Lakhs (i.e. 2% of Average Profits for last three years). The Company during the financial year 2017-18 spent an amount of Rs. 66 Lakhs. The Company was not able to spend the minimum 2% of profits due to delay in projects and procurement of material/goods by the Government Agencies through tendering process lined up for implementing the CSR activities. The payments consequent upon finalization of terms by the implementing agency is made in this year. The Company during the F.Y. 2018-19 is making all efforts to ensure spending the funds allocated towards the CSR activities.
- 3) Appointment of Key Managerial Personnel's: The Company subsequent to resigning of previous Chief Financial Officer (CFO) and re-designation of the, then Company Secretary, made advertisements in newspaper couple of times, for filling the post of the KMP's lying vacant. To ensure compliances pertaining to applicable laws, the services of experienced practicing professionals and retired personnel from the PSU's have been availed during the intermittent period. After conducting interviews and hiring of suitable candidates, the vacant position has been filled during the year 2018-19.

Apart from the above, there are no other qualifications, reservations or adverse remarks made by the Secretarial Auditor of the Company, in its report.

c) COST AUDITOR

During the year 2017-18 M/s Sunil Singh & Co were appointed as the Cost Auditor to conduct Audit of the Cost Accounting records maintained by the company.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of your Company has appointed M/s. K B Saxena & Associates, Lucknow, Cost Accountants, as the Cost Auditors of the Company for the financial year 2018-19. The remuneration proposed to be paid to the Cost Auditors is subject to the ratification by the members at the ensuing Annual General Meeting of the Company.

d) INTERNAL AUDITOR

The internal audit function is carried out by reputed external professional firm covering major business operations, which ensures the effectiveness of existing processes, controls and compliances.

During the year under review, M/s S.N. Kapur & Associates, Chartered Accountant, Lucknow has conducted internal audit of Green Gas Limited for the financial year 2017-18.

27. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

28. DISCLOSURE FOR MAINTENANCE OF COST RECORDS UNDER THE COMPANIES ACT, 2013

The Company has maintained the accounts and cost records as required and specified to be maintained u/s 148 (1) of the Companies Act, 2013.

29. VIGIL MECHANISM

The Company has a Whistle Blower Policy as part of the Vigil Mechanism, which provides a platform to the employees and directors to come forward and raised their genuine concerns or grievances pursuant to section 177 (9) of the Companies Act, 2013 and rules made there under. The details of the Whistle Blower Policy are available on the website of the company www.gglonline.net. During the year under review, no complaint has been made by the directors and employees of the Company.

30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

GGL has put in place an adequate system of internal control commensurate with its size and nature of its business and





continuously focus on strengthening its internal control processes. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

The Company has engaged the services of an independent Chartered Accountant to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transactions are appropriately authorised, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. The company has also installed an extensive CCTV Surveillance system to cover the entire station premises. All these measures are continuously reviewed by the management and as and when necessary improvements are effected. The Statutory Auditors commented upon existing Internal Financial Control System on effectiveness of implementation of SAP-B1 model which is duly addressed by the Company.

31. HUMAN RESOURCES

During the year, your Company enjoyed harmonious and cordial human relations amongst all its employees. Your Company continued its HR efforts of providing developmental inputs to employees through outbound team building training programmes to develop their knowledge, skills and attitudes.

Your Company focuses on employee development on a continuous basis. With the aim of encouraging a competitive spirit and winning attitude to take on future challenges, keen attention is given to training programs and workshops.

The Company is reviewing all other HR policies to make them more competitive and aligned with industry practices.

32. BOARD OF DIRECTORS

a) COMPOSITION:-

The Company has six Directors on its Board comprising two Executive Directors namely Managing Director and Director (Commercial), two Non-Executive Directors and two Independent Director. The composition and category of Directors along with other Directorships as on March 31, 2018:

Name of Directors	Category	Directorship in other company
G.K.Satish	Non-Executive	1. Indian Oil Corp Limited 2. IndOilMontney Ltd. 3. IndOil Global B. V. 4. Petronet LNG Ltd.
Jiledar	Executive	NIL
B.A.Reddy	Executive	NIL
Narendra Singh*	Independent Director	NIL
Deepak Kunzru*	Independent Director	NIL
Anjani Kumar Tiwari	Non-Executive Director	1. Gail Gas Limited 2. GAIL Global (Singapore) Pte. Ltd. 3. Ratnagiri Gas and Power Private Limited

* Ceased to be Director w.e.f. 30.07.2018.

**b) ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING:-**

During the Financial Year ended March 31, 2018, the Board of Green Gas Limited met 8 times at regular intervals on 2nd May, 2017, 27th June, 2017, 7th August, 2017, 27th September, 2017, 24th October, 2017, 6th December, 2017, 13th December, 2017 and 27th January 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Detail of Meetings	Shri G. K. Satish	Shri Jiledar	Shri B.A. Reddy	Shri A. K. Tiwari	Shri Narendra Singh	Shri Deepak Kunzru
59 th Board Meeting Dated: 02.05.2017	Yes	Yes	Yes	Yes	Yes	Yes
60 th Board Meeting Dated: 27.06.2017	Yes	Yes	Yes	Yes	Yes	Yes
61 st Board Meeting Dated: 07.08.2017	Yes	Yes	Yes	Yes	Yes	Yes
62 nd Board Meeting Dated: 27.09.2017	Yes	Yes	Yes	--	Yes	Yes
63 rd Board Meeting Dated: 24.10.2017	Yes	Yes	Yes	Yes	Yes	--
64 th Board Meeting Dated: 06.12.2017	Yes	Yes	Yes	Yes	Yes	Yes
65 th Board Meeting Dated: 13.12.2017	Yes	Yes	Yes	Yes	Yes	Yes
66 th Board Meeting Dated: 27.01.2018	Yes	Yes	Yes	Yes	Yes	Yes
12 th AGM Dated: 27.09.2017	Yes	Yes	Yes	--	Yes	Yes

c) RETIREMENT BY ROTATION

The provisions of Section 152 (6) of the Companies Act, 2013 and Articles of Association of the Company provide for retirement of rotation of the Directors of the Company. Accordingly, Mr. Anjani Kumar Tiwari (DIN: 07654612) retire by rotation at the ensuing Annual General Meeting and eligible for re-appointment.

d) INDEPENDENT DIRECTORS

The Independent Directors, Shri Narendra Singh & Shri Deepak Kunzru have completed their tenure of three years ended on July 30, 2018. The Board places on record its deep appreciation for the valuable services rendered and contribution made towards growth of the Company during their association.

e) CONSTITUTION OF AUDIT COMMITTEE, NOMINATION AND REMUNERATION, CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your company has constituted the following committees as per the provision of Companies Act 2013 as on March 31, 2018:

1) AUDIT COMMITTEE

The Board constituted the Audit Committee consisting of the following directors:

- Shri Narendra Singh*, Independent Director, as Chairman
- Dr. Deepak Kunzru*, Independent Director
- Shri Jiledar, Managing Director

* Ceased to be Director w.e.f. 30.07.2018.



Audit Committee shall act in accordance with the terms of reference which shall, inter alia, includes:

- (i) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;
- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters;
- (ix) Any other matter incidental to the above or connected thereto.

During the year, the Committee met six times consecutively on 02.05.2017, 27.06.2017, 07.08.2017, 19.08.2017, 06.12.2017 and 27.01.2018.

2) **NOMINATION & REMUNERATION COMMITTEE**

The Board constituted the Nomination & Remuneration Committee consisting of the following directors:

- a) Dr. Deepak Kunzru*, Independent Director, as Chairman
 - b) Shri Narendra Singh*, Independent Director
 - c) Shri G.K. Satish, Director (Non-Executive)
- * Ceased to be Director w.e.f. 30.07.2018.

During the year, the Committee met twice in a year on 02.05.2017 and 27.06.2017.

3) **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Board constituted the Corporate Social Responsibility Committee as per provision of Companies Act 2013 consisting of the following directors:

- a) Shri Jiledar, Managing Director as Chairman
 - b) Shri B.A. Reddy, Director (Commercial)
 - c) Shri Narendra Singh*, Independent Director
 - d) Dr. Deepak Kunzru*, Independent Director
- * Ceased to be Director w.e.f. 30.07.2018.

The CSR Committee is required to -

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) Any other matter incidental to the above or connected thereto.

During the year, the Committee met four times consecutively on 22.05.2017, 19.08.2017, 06.12.2017 and 27.01.2018 to discuss on various matters regarding CSR.

33. **CORPORATE SOCIAL RESPONSIBILITY**

Your Company believes that Corporate Social Responsibility (CSR) plays a major role in the development of any society. Therefore, it has made Corporate Social Responsibility (CSR) an integral part of its ethos and culture.

Following a Project-based approach towards all CSR interventions, as detailed in the CSR Policy, your Company has implemented CSR programs primarily in the areas which are in close proximity to the major work centers/installations of your Company, as identified under Schedule VII of the Companies Act, 2013.

The policy covers matter in the field of promoting, education, skill development, sanitation etc. The policy intends to strive for economic development that positively impacts society at large by way of optimum utilization of resources. The details of the CSR Policy are available on the website of the company www.gglonline.net





The Annual Report on CSR activities in accordance with the companies (Corporate Social Responsibility) Rules, 2014, is appended as Annexure- E to this report.

34. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company has complied with the provision relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no complaints received pursuant to the provisions of the said Act.

35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant and material orders passed by the Courts or tribunals impacting the going concern status and the Company's operation in future.

36. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134(5) OF THE COMPANIES ACT, 2013

Pursuant to the requirement of section 134(5) of the companies Act, 2013 in relation to Directors' Responsibility Statement, it is confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

38. ACKNOWLEDGEMENT

The Board of Directors wish to place on record their sincere appreciation for the cooperation and continued support extended by its clients, bankers, business associates and regulatory authorities and look forward to their continued support.

Your Directors also wish to thank the promoters (i.e. GAIL & IOCL) for the valuable contribution and support received from time to time.

The Board of Directors also expresses their sincere gratitude to all employees of the company for their cherished services and unstinted efforts during the year. Inspired by the vision of greener cities, your Directors, look forward to the future with confidence.

For and on behalf of the Board of Directors

Sd-
G. K. Satish
[DIN:06932170]
Chairman

Place: New Delhi
Date: 25-08-2018



**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**FORM NO. MGT - 9****Annexure-A****Extract of Annual Return
As on the Financial Year Ended on 31.03.2018**

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

	CIN	U23201UP2005PLC30834
i.	Registration Date	07-10-2005
ii.	Name of the Company	GREEN GAS LIMITED
iii.	Category/Sub-Category of the Company	Public Company Limited by Shares/ Indian Non-Government Company
iv.	Address of the Registered office and contact details	Fortuna Towers, 2nd Floor, 10 Rana Pratap Marg, Lucknow-226001 Tel: 0522-4088526 Fax No: 0522-4088529 Website: www.ggonline.net
v.	Whether listed company	No
vi.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of	CIN/GLN the Company	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)****i. Category-wise Share Holding:**

Category wise Share holding	No. of Share held date the beginning of the year				No. of Share held date the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter & Promoter Group									
1) Indian									
a) Individual/HUF	0	3	3	0.00	0	3	3	0.00	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	46084497	46084497	99.95	0	46084497	46084497	99.95	0
e) Banks/FI	0								0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1) :-	0	46084500	46084500	99.95	0	46084500	46084500	99.95	0
2) Foreign									
g) NRIs - Individuals	0	0	0	0	0	0	0	0	0
h) Other - Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks/FI	0	0	0	0	0	0	0	0	0
k) Any Other...	0	0	0	0	0	0	0	0	0
Sub-total (A) (2) :-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	20000	20000	0.04	0	20000	20000	0.04	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1) :-	0	20000	20000	0.04	0	20000	20000	0.04	0
2) Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals (i) Individual shareholders holding nominal share capital upto ₹ 1 Lakhs (ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakhs	0	5000	5000	0.01	0	5000	5000	0.01	0
c) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (2) :-	0	5000	5000	0.01	0	5000	5000	0.01	0
Total Public Share holding (B) = (B) (1) + (B) (2)	0	25000	25000	0.05	0	25000	25000	0.05	0
A. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)	0	46109500	46109500	100	0	46109500	46109500	100	0

**ii. Shareholding of Promoters**

Sr. No	Share-holder's Name	Share holding at the beginning of the year			Share holding 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.	GAIL(India) Limited	23042250	49.97	Nil	23042250	49.97	Nil	Nil
2.	Indian Oil Corporation Limited	23042247	49.97	Nil	23042247	49.97	Nil	Nil
3.	Shri Raju Ranganathan (jointly with Indian Oil)	1	0.00	Nil	Nil	0.00	Nil	0.00
4.	Shri Deepak Dhawan (jointly with Indian Oil)	1	0.00	Nil	Nil	0.00	Nil	0.00
5.	Shri Kamal Gwalani (jointly with Indian Oil)	1	0.00	Nil	1	0.00	Nil	Nil
6.	Shri Kamal Tripathi (jointly with Indian Oil)	Nil	0.00	Nil	1	0.00	Nil	0.00
7.	Shri P. K. Sinha (jointly with Indian Oil)	Nil	0.00	Nil	1	0.00	Nil	0.00
	Total	46084500	99.95	Nil	46084500	99.95	Nil	Nil

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

Sr. No.	Name of Share holder	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
	Date wise Increase / Decrease in Promoters Shareholding during the year				

There is no change in the shareholding of Promoters during the F.Y. 2017- 18 except inter-se transfers among promoters

Sr. No	Name of Shareholder	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	GAIL (India) Limited				
	At the beginning of the year	23042250	49.97	23042250	49.97
	Add/(Less) : No Change	0	0	0	0
	At the End of the year	23042250	49.97	23042250	49.97



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

Sr. No	Name of Share holder	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
2	Indian Oil Corporation Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	23042247	49.97	23042247	49.97
	Add/(Less): No Change	0	0	0	0
	At the End of the year	23042247	49.97	23042247	49.97
3	Shri Raju Ranganathan (jointly with Indian Oil)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.00	1	0.00
	Less: Transfer dt.19.09.17	(1)	0.00	0	0
	At the End of the year	0	0.00	0	0.00
4	Shri Deepak Dhawan (jointly with Indian Oil)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.00	1	0.00
	Less: Transfer dt.19.09.17	(1)	0.00	0	0
	At the End of the year	0	0.00	0	0.00
5	Shri Kamal Gwalani (jointly with Indian Oil)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.00	1	0.00
	Add/(Less): No Change	0	0.00	0	0
	At the End of the year	1	0.00	1	0.00
6	Shri KamaleshTripathi (jointly with Indian Oil)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Add: Transfer dt. 19.09.17	1	0	1	0
	At the End of the year	1	0	1	0
7	Shri P. K. Sinha (jointly with Indian Oil)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Add: Transfer dt.19.09.17	1	0	1	0
	At the End of the year	1	0	1	0



iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March, 2018:

Sr. No	For each of the Top 10 Shareholders	Share holding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	IL & FS Trust Company Limited				
	At the beginning of the year	10,000	0.02	10,000	0.02
	Bought during the year	0	0	0	0
	Sold/Transfer during the year	0	0	0	0
	At the end of the year	10,000	0.02	10,000	0.02
2.	IDFC Bank Limited				
	At the beginning of the year	10,000	0.02	10,000	0.02
	Bought during the year	0	0	0	0
	Sold/Transfer during	0	0	0	0
	At the end of the year	10,000	0.02	10,000	0.02
3	Shri Kamta Prasad Roy				
	At the beginning of the year	1,250	0.003	1,250	0.003
	Bought during the year	0	0	0	0
	Sold/Transfer during the year	0	0	0	0
	At the end of the year	1,250	0.003	1,250	0.003
4	Shri Sirish Chandra Hatwal				
	At the beginning of the year	1,250	0.003	1,250	0.003
	Bought during the year	0	0	0	0
	Sold/Transfer during the year	0	0	0	0
	At the end of the year	1,250	0.003	1,250	0.003
5	Shri Sharat Chandra Meshram				
	At the beginning of the year	1,250	0.003	1,250	0.003
	Bought during the year	0	0	0	0
	Sold/Transfer during the year	0	0	0	0
	At the end of the year	1,250	0.003	1,250	0.003
6	Shri Rakesh Kumar Sharma				
	At the beginning of the year	1,250	0.003	1,250	0.003
	Bought during the year	0	0	0	0
	Sold/Transfer during the year	0	0	0	0
	At the end of the year	1,250	0.003	1,250	0.003

**v. Shareholding of Directors and Key Managerial Personnel as on 31st March, 2018:**

Directors and Key Managerial Personnel are holding nil equity shares in the Company as on 31st March, 2018.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
In indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
To tal (i + i i + i i i)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
- Addition				
- Reduction				
Net Change				
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i + ii + iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particular of Remuneration and	Name of MD/WTD/Manager (Rs. in Lakhs)		Total Amount (Rs. in Lakhs)
		Mr. Jiledar (Managing Director)	Mr. B. A. Reddy (Director-Commercial)	
1.	Gross Salary	67.97	66.57	134.54
	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			
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit			
	- others, specify...			
5.	Others, please specify	Nil	Nil	Nil
6.	Total (A)	67.97	66.57	134.54
	Ceiling as per the Act	Within overall Ceiling limit as prescribed under the Companies Act, 2013		

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration Name of Directors	Name of Directors (Rs. in Lakhs)		Total Amount
	Independent Directors	Mr. Narendra Singh	Mr. Deepak Kunzru	
	· Fee for attending board/ Committee meetings · Commission · Others, Please Specify	2,52,000	2,34,000	4,86,000
	Total(1)	2,52,000	2,34,000	4,86,000
	Other Non -Executive Directors	Mr. G. K. Satish	Mr. A.K. Tiwari	
	· Fee for attending board/Committee meetings · Commission · Others, please specify	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B) = (1 + 2)	2,52,000	2,34,000	4,86,000

C. Remuneration to Key Managerial Personnel Other than MD/Manager /WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (Rs. in Lakhs)			
		CEO	Company Secretary	CFO (Shri S K Singh*)	Total
1.	Gross Salary a. Salary as per provisions contained in section 17 (1) of the Income e - tax Act, 1961 b. Value of Perquisites u/s 17 (2) Income e -Tax Act, 1961 c. Profits in lieu of salary under section 17 (3) Income tax Act, 1961	Nil	Nil	9.46	9.46
2.	Stock Option	Nil	Nil	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
6.	Total (A)			9.46	9.46

*Shri S K Singh nominated as Key Managerial Personnel resigned from Company w.e.f. 28.06.2017

**Green Gas Limited**

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of Brief the description companies Act	Details of Penalty/Punishment/Compounding fees imposed	Authority[RD/NCLT/Court]	Appeal made. If any(give details)
A. Company NIL				
Penalty				
Punishment				
Compounding				
B. Directors NIL				
Penalty				
Punishment				
Compounding				
C. Other Officers In Default NIL				
Penalty				
Punishment				
Compounding				

For and on behalf of the Board of Directors

Sd/-

G. K. Satish

[DIN:06932170]

Chairman

Place: New Delhi

Date: 25-08-2018

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**Annexure-B****FORM NO. 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 arm's length transactions under third proviso thereto

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2018, which are not at arm's length.

2. Details of material contracts or arrangement or transactions at arm's length basis:-

Sr. No	Name(s) of the related party and nature of relationship	Nature of transaction	Transaction Value (Rs. In Crores)	Duration of transaction	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. In Crores)
1	GAIL (India) Limited	Gas Purchase	144.25	F.Y. (2017 -18)	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arm's length basis	Since these RPT's are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable.	NIL
2	GAIL Gas Limited	Gas Purchase	5.13	F.Y. (2017 -18)			NIL
3	Indian Oil Corporation Limited	Gas Sale	115.88	F.Y. (2017 -18)			NIL

For and on behalf of the Board of Directors

Place: New Delhi
Date: 25-08-2018**Sd/-**
G. K. Satish
[DIN:06932170]
Chairman

**Annexure-C****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****A. CONSERVATION OF ENERGY**

- (i) The steps taken or impact on conservation of energy: Conservation of energy is an ongoing process in the Company's activities. Steps have been taken on proper tuning of pressure regulating valves to ensure smooth transfer of natural gas from the blow down vessel to the suction of CNG compressor without any venting of Gas to atmosphere for new Compressors.

Detailed initiative taken given as below: -

1. Incandescent light bulbs were replaced by Energy Star LED or compact fluorescent light bulbs which saves up to 80 percent of energy.
2. CRT & LCD monitors are energy hogs & same were replaced by LED ALL in One Desktop.
3. Buffer Cascade were added at Daughter Booster Station which reduced the runtime of the Compressor.

- (ii) The steps taken by the company for utilizing alternate sources of energy:
All diesel Gensets have been replaced with Gas Gensets in this financial year to reduce electrical power consumption from power distribution.

- (iii) The capital investment on energy conservation equipments: The Company has spent negligible capital expenditure on energy conservation.

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption	Continued indigenous development of various dispenser spares like high-pressure filters.
2. The benefits derived like product improvement, cost reduction, product development or import substitution	Overall reduction of cost of dispenser spares.
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology has been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof-	NIL
4. The expenditure incurred on Research and Development	NIL
C. FOREIGN EXCHANGE EARNINGS AND OUTGO	

There was no foreign exchange earnings and outgo during the year under review.

For and on behalf of the Board of Directors

Sd/-
G. K. Satish
[DIN:06932170]
Chairman

Place: New Delhi
Date: 25-08-2018



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834



Annexure-D

CS TANU AGARWAL

FCS :5514

(Practicing Company Secretary PCS : 14615)

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,

The Members,

GREEN GAS LIMITED,

(CIN – U23201UP2005PLC030834)

FORTUNA TOWER 2ND FLOOR

10 RANA PRATAP MARG

LUCKNOW-226001

UTTAR PRADESH

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s GREEN GAS LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

I hereby report that in my opinion

- i. The Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also
- ii. 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:



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834



CS TANU AGARWAL

FCS :5514

(Practicing Company Secretary PCS : 14615)

I 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, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **-Not applicable as the securities issued by the Company are not listed during the period under review**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **- Not applicable as the securities issued by the Company are not listed during the period under review**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ; **-Not applicable as the Company has not made any such transactions during the financial year under review**

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable as the Company has not made any public offer of securities during the period under review;**
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992- **Not applicable as the Company has not made any public offer of securities during the period under review;**
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **Not applicable as the Company has not made any public offer of securities during the period under review;**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - **Not applicable as the Company has not granted any options during the financial year under review**
- 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 - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the**



CS TANU AGARWAL

FCS :5514

(Practicing Company Secretary PCS : 14615)

Company has not bought back/propose to buyback any of its securities during the financial year under review.

Vi. The following other laws as may be applicable specifically to the Company:

- (a) The Air (Prevention and Control Pollution) Act, 1981
- (b) The Water (Prevention and Control Pollution) Act, 1974
- (c) The Environment Protection Act, 1986
- (d) Gas Cylinders Rules, 2004
- (e) The Legal Metrology Act, 2009
- (f) Explosives Rules, 2008
- (g) Explosives Act, 1884
- (h) The Petroleum and Natural Gas Regulatory Board Act, 2006
- (i) Petroleum Rules, 2002
- (j) The Petroleum Act, 1934

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited for its debt instruments. – **Not applicable as the securities issued by the Company are not listed during the period under review**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (i) The Company has filed with delay certain forms/returns/documents etc. and instances of incomplete disclosure of required information has also been noticed in few e-forms filed with the Registrar of Companies, Ministry of Corporate Affairs, Kanpur under the provisions of the Companies Act, 2013.
- (ii) The company has constituted the Corporate Social Responsibility (CSR) Committee in terms of Section 135 of The Companies Act, 2013 and the rules framed thereunder, however the company has though allocated funds but was not able to spend the whole apportioned money on CSR activities during the financial year under review.
- (iii) The Company has defaulted in appointing Key Managerial persons pursuant to the provisions of Section 203 of The Companies Act, 2013. As per the said Section the position cannot lay vacant for a period of more than six months but the appointments of Whole time Company Secretary and Chief Financial Officer were made with much delay of the stipulated time frame.

I further report that:

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



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834



CS TANU AGARWAL

FCS :5514

(Practicing Company Secretary PCS : 14615)

- The meetings of the Board of Directors and committee thereof are generally as per the Act and Secretarial Standards and notice and intimation is given to all directors to schedule the Meetings. Agenda and detailed notes on agenda are sent to all the directors. However, I have noted delay in sending agenda papers in few cases, and a
- system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that the systems and processes in the Company require further strengthening and improvements, considering the size and operations of the Company to enable better monitoring and ensuring of timely compliance with applicable laws, rules, regulations and guidelines.

Sd/-

(TANU AGARWAL)

Practicing Company Secretary

Membership No. : F-5514

C.P. No. 14615

Date: 07.08.2018

Place: Lucknow

Note: This report should be read with the letter of even date by the Secretarial Auditors.



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834



CS TANU AGARWAL

FCS :5514

(Practicing Company Secretary PCS : 14615)

To,
The Members,
Green Gas Limited
2nd Floor, Fortuna Towers,
10, Rana Pratap Marg,
Lucknow- 226 001

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as are 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure 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.

Sd/-

(TANU AGARWAL)

Practicing Company Secretary

Membership No. : F-5514

C.P. No. 14615

Date: 07.08.2018

Place: Lucknow



Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834



Tree Plantation in Lucknow on 26.01.2018



Promotional Activity during Taj Mahotsav



Celebrating International Yoga Day



Bench & Desk Donation to Lucknow School



Free Insurance Policy to CNG Commercial Drivers on 27.02.2018



Handover Color Doppler Ultrasound Machine to SGPGIMS, Lucknow on 03.08.2017



ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A 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:-

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

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

The contents of CSR Policy of GGL are displayed on GGL's website at www.gglonline.net

2. The Composition of the CSR Committee (As on March 31, 2018):-

- a) Shri Jiledar, Managing Director as Chairman
- b) Shri B. A. Reddy, Director (Commercial)
- c) Shri Narendra Singh*, Independent Director
- d) Dr. Deepak Kunzru*, Independent Director

*Ceased to be Director w.e.f. 30.07.2018

3. Average profit (PBT) of the company for last three financial years:-Rs. 5430.00 Lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):- Rs. 109 Lakhs
5. Details of CSR spent during the financial year:-

- (a) Total amount to be spent for the financial year-Rs.109 Lakhs

- (b) Amount unspent, if any- Rs. 43 Lakhs

- (c) Manner in which the amount spent during the financial year is detailed below:

S. No	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. in Lakhs)	Amount spent on the projects or programs Sub-heads 1) Direct expenditure on projects or programs. 2) Overheads (Rs. in Lakhs)	Cumulative expenditure up to the 31st March 2018 (Rs.in Lakhs)	Project Implemented: Direct or through implementing agency
1	School Support programme at a Govt. run	Promoting Education	Local area i.e, Lucknow, Uttar Pradesh	60.00	50.10	50.10	Direct (Basic Shiksha



	schools under Nagar Nigam and BSA in Lucknow & Agra						Adhikari and Govt schools under Nagar Nigam)
2	Accidental Insurance of 30000 CNG vehicle driver	Promoting Health care	Local Area in Agra and Lucknow, Uttar Pradesh	5.90	5.90	5.90	Direct
3	Plantation of trees (incl. tree guards & maintenance)	Environmental Sustainability	Local area in Lucknow and Agra, Uttar Pradesh	10.0	10.0	10.0	Divisional Forest Office Avadh Forest Division
4	Providing medical equipment to Govt. Hospital	Promoting Health care	Local area in Lucknow Uttar Pradesh	19.85	-	-	Direct (Through Govt. Hospitals)
5	Promoting Nursing Education	Promoting Healthcare	Local area in Lucknow Uttar Pradesh	15.70	-	-	Direct (Through Govt. Hospitals)
	TOTAL (Rs. in Lakhs)			111.45	66.00	66.00	

6. In case the Company has failed to spend the two per cent 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:

In line with the Board approved CSR Policy, in addition to the ongoing CSR projects from previous FY 2016-17, a large number of new CSR projects had been identified and initiated in FY 2017-18. The medical equipment proposed to be procured for the SGPGI Hospital, Lucknow, however the payment could not be made within the previous F.Y. 2017-18 due to delay in tendering and issuance of Letter of award for procurement by the hospital on time, hence this amount was not accounted for as the spent amount. The payment for the equipment have been made this year 2018-19 amounting to Rs. 19.75 Lakhs. Moreover, the Nursing Education training could not be organized last year due to delay in tendering process and expected to organized during the F. Y. 2018-19.

A large number of proposals are received by Green Gas Limited throughout the year, which have to go through due diligence before the approval as per our Board approved CSR policy. Adequate care is taken to select the initiatives which are strategically aligned with Green Gas Limited objectives and/ or have strength to make visible impact on ground. Many new CSR Projects have been identified for FY 2018-19, for which approvals have already been taken and work has been initiated.

The Company remains committed to continually explore new opportunities which align to its CSR philosophy and create maximum impact and incrementally invest in CSR activities to spend the prescribed CSR amount in the subsequent years.

7. CSR Committee Responsibility Statement:-

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

Sd/-
B. A. Reddy
[Director-Commercial]

Sd/-
Jiledar
[Chairman of CSR Committee]

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**BALANCE SHEET AS AT MARCH 31, 2018**

(INR in lacs)				
	PARTICULARS	Notes	As at March 31, 2018	As at March 31, 2017
	1	2	3	4
	ASSETS			
(1)	Non-current assets			
	(a) Property, plant and equipment	2	22,678.23	16,060.08
	(b) Capital work in progress		6,418.94	5,100.31
	(c) Other intangible assets	2	24.07	30.93
	(d) Financial assets			
	Other financial assets	9	39.66	15.76
	(e) Other non-current assets	3	46.68	48.44
	Total non-current assets		29,207.58	21,255.51
(2)	Current assets			
	(a) Inventories	4	141.70	156.07
	(b) Financial assets			
	(i) Trade receivables	6	1,222.02	1,154.48
	(ii) Cash and cash equivalents	7	239.53	464.55
	(iii) Bank balances other than above	8	2,369.65	6,199.18
	(iv) Other financial assets	9	132.53	258.36
	(c) Current Tax Assets	14	470.79	34.93
	(d) Other current assets	5	2,748.30	1,252.14
	Total current assets		7,324.52	9,519.72
	TOTAL ASSETS		36,532.10	30,775.23
	EQUITY AND LIABILITIES			
	Equity			
	Equity share capital	10	4,610.95	4,610.95
	Other equity			
	Reserves and surplus	11	24,468.79	20,671.84
	Other reserves			-
	Total equity		29,079.74	25,282.79
	Liabilities			
(1)	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings		-	-
	(ii) Other financial liabilities	13	1,825.74	1,379.83
	(b) Provisions	16	59.81	89.95
	(c) Deferred tax liabilities		1,869.77	1,480.88
	(d) Other non-current liabilities			-
	Total non-current liabilities		3,755.32	2,950.66
(2)	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	12	1,724.04	854.88
	(ii) Other financial liabilities	13	1,274.16	1,301.08
	(b) Provisions	16	3.96	0.79
	(c) Current tax liabilities	14	-	-
	(d) Other current liabilities	15	694.88	385.03
	Total current liabilities		3,697.04	2,541.78
	Total liabilities		7,452.36	5,492.45
	TOTAL EQUITY AND LIABILITIES		36,532.10	30,775.23

Significant Accounting Policies

Notes to Accounts

Notes referred to above form part of Financial Statements

1
2 - 39**For and on behalf of Board**

As per our report of even date

For R. M. Lall & Co.**FRN. No. 000932C****Chartered Accountants****Vikas C. Srivastava****Partner****Membership No. : 401216****Place : Lucknow****Date : 04th May, 2018****B A Reddy**

Director (Commercial)

DIN : 07060106

Nikit Rastogi

Company Secretary

A-30375

Place : New Delhi

Date : 30th Apr, 2018

Jiledar

Managing Director

DIN : 07560807

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**STATEMENT OF PROFIT AND LOSS ACCOUNT**

For the Year Ended March 31, 2018		(INR in lacs)	
PARTICULARS	NOTES	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	17	28,508.11	21,949.69
Other income	18	688.07	469.40
Total income		29,196.18	22,419.10
Expenses			
Cost of material consumed	19	13,804.54	9,300.37
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	(0.79)	(0.28)
Excise duty		3,365.11	2,634.87
Employee benefit expenses	21	630.98	382.56
Depreciation and amortisation expense	22	904.76	680.25
Other expenses	23	3,899.27	2,534.83
Finance costs		-	-
Total expenses		22,603.86	15,532.60
Profit before tax		6,592.32	6,886.50
Income tax expense			
Current tax	24	1,902.00	2,180.00
Deferred tax	24	388.89	226.51
Profit for the period		4,301.43	4,479.99
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post employment benefit obligations		52.38	(2.00)
Income tax relating to these items			
Other comprehensive income for the period, net of tax		52.38	(2.00)
Total comprehensive income for the period		4,353.80	4,477.99
Earnings per equity share			
Basic earnings per share		9.44	9.71
Diluted earnings per share		9.44	9.71

Significant Accounting Policies

1

Notes to Accounts

2 - 39

Notes referred to above form part of Financial Statements

For and on behalf of Board

As per our report of even date

For R. M. Lall & Co.**FRN. No. 000932C****Chartered Accountants****Vikas C. Srivastava****Partner****Membership No. : 401216****B A Reddy**

Director (Commercial)

DIN : 07060106

Jiledar

Managing Director

DIN : 07560807

Place : Lucknow**Date : 04th May, 2018****Nikit Rastogi**

Company Secretary

A-30375

Place : New Delhi

Date : 30th Apl, 2018

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**CASH FLOW STATEMENT**

For the Year Ended March 31, 2018

(INR in lacs)

Particulars	CURRENT YEAR 31st MARCH 2018		PREVIOUS YEAR 31st MARCH 2017	
Cash flow from Operating Activities				
Net profit before taxation and prior period adjustment		6,592.32		6,886.50
Add:				
Remeasurement of post employment benefit obligations	52.38		(2.00)	
Depreciation	904.76		680.25	
Preliminary expenses written off		957.14		678.24
Less:				
Depreciation Written back	0.02		-	
Interest Income	358.58		408.88	
Dividend	461.10		-	
Dividend Distribution Tax	95.75	915.43	-	408.88
Operating profit before working capital changes		6,634.02		7,155.86
Changes in the Working Capital				
(Increase)/Decrease in trade receivables	(67.54)		(245.35)	
(Increase) in inventories	14.37		4.54	
(Increase) in other financial assets	101.94		(52.11)	
(Increase)/decrease in other non-current assets	(434.11)		(34.97)	
(Increase)/decrease in other current assets	(1,496.16)		(1,080.24)	
Increase in trade payables	869.16		(199.35)	
Increase/(decrease) in provisions	(26.97)		11.20	
Increase in Other Financial Liability	418.98		678.52	
Increase in Current tax Liability	-		(186.96)	
Increase in other current liabilities	309.85	(310.47)	241.01	(863.73)
Cash generated from operations		6,323.55		6,292.14
Taxes		1,902.00		2,180.00
Net cash from operating activities (A)		4,421.55		4,112.14
Cash flow from Investing Activities				
Add:				
Interest Income	358.58		408.88	
Less:				
Purchase of Fixed Asset (including CWIP)	8,834.67	(8,476.09)	2,833.45	(2,424.57)
Net cash from investing activities (B)		(8,476.09)		(2,424.57)
Cash flow from Financing Activities				
Add:				
Proceeds from Borrowings (Net)	-		-	
Less:				
Interest Expense	-		-	
Repayment of borrowings		-		-
Net cash from financing activities (C)		-		-
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(4,054.54)		1,687.57
Cash & cash equivalents at beginning of financial year (Note 6 & 7)		6,663.72		4,976.16
Cash & cash equivalents at end of financial year (Note 6 & 7)		2,609.18		6,663.72

Notes referred to above form part of Financial Statements

For and on behalf of Board

As per our report of even date

For R. M. Lall & Co.

FRN. No. 000932C

Chartered Accountants

Vikas C. Srivastava

Partner

Membership No. : 401216

B A Reddy

Director (Commercial)

DIN : 07060106

Jiledar

Managing Director

DIN : 07560807

Nikit Rastogi

Company Secretary

A-30375

Place : New Delhi

Date : 30th Apl, 2018

Place : Lucknow

Date : 04th May, 2018

**Green Gas Limited**(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834**STATEMENT OF CHANGES IN EQUITY**

Notes to Financial Statements

(INR in lacs)

I) Equity Share Capital		Amounts
Balance as at April 1, 2016		4,610.95
Changes in equity share capital during the year		-
Balance as at March 31, 2017		4,610.95
Changes in equity share capital during the year		-
Balance as at March 31, 2018		4,610.95
II) Other equity		
	Retained earnings	Total
Balance as at April 1, 2016	16,193.84	16,193.84
Profit for the period	4,479.99	4,479.99
Other comprehensive income	(2.00)	(2.00)
Balance as at March 31, 2017	20,671.83	20,671.83
Profit for the period	4,301.43	4,301.43
Other comprehensive income	52.38	52.38
Balance as at March 31, 2018	25,025.64	25,025.63



GREEN GAS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.1 COMPANY OVERVIEW

Green Gas Limited (the 'Company') was incorporated on 07.10.2005 under the Companies Act, 1956. The Company is a joint venture between GAIL (India) Limited and Indian Oil Corporation Limited. The Company's business consists of sale of Natural Gas.

The registered office is located at Fortuna Tower, 2nd floor, 10, Rana Pratap Marg, Lucknow - 226001

The financial statements of the Company for the year ended 31st March, 2018 were authorised for issue in accordance with a resolution passed by Board of directors in its meeting held on 30.04.2018.

1.2 SIGNIFICANT ACCOUNTING POLICIES

A Basis of accounting and preparation of financial statements

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('Ind AS') under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2016. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

For all periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). The financial statements for the year ended 31st March, 2017 were the first, the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis except for the following:

- Defined benefit plans- plan assets measured at fair value

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated.

B. Inventories

- i. Stock of Natural Gas in pipelines and cascades is valued at the lower of cost computed on First in First out (FIFO) basis and net realisable value.
- ii. Stores and spares are valued at weighted average cost or net realisable value, whichever is lower

C Cash and cash equivalents (for purposes of presentation in Cash Flow Statement)

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

D Cash flow statement

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

E Depreciation and amortisation

Depreciation and amortisation on fixed assets other than those mentioned below is provided in accordance with useful life as specified in Schedule II of the Companies Act, 2013, on straight line method on pro-rata basis.

- Assets costing up to INR 5,000 are depreciated fully in the year of capitalisation
- Computer software is amortised on straight line basis over a period of 5 years.
- After impairment of assets, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.



Capital assets installed at the consumers' premises have been depreciated on SLM basis in accordance with useful life as specified in Schedule II of the Companies Act, 2013.

F Revenue recognition

- i. Revenue on sale of natural gas is recognised on transfer of significant risks and rewards of ownership to the buyer. Revenue includes excise duty but excludes central sales tax and value added tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
CNG: Revenue on sale of Compressed Natural Gas (CNG) is recognised on sale of gas to customers from CNG stations.
PNG: Revenue on sale of Piped Natural Gas (PNG) is recognised based on the consumption by the consumers.
- ii. Income from deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable
Claims (including interest on outstanding) are accounted:
 - a) when there is certainty that the claims are realisable
 - b) Generally at cost

Prepaid expenses upto Indian Rupees one lakhs in each case are charged to the statement of profit and loss in the year in which it is incurred.

G (a) Property, plant and equipment

- i. Property, Plant and Equipment are stated at original cost less accumulated depreciation and impairment losses, if any. Original cost includes freight, duties, taxes and other incidental expenses relating to acquisition and installation. In the case of commissioned assets where final 'payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.
- ii. Spares which meet the definition of Property, Plant & Equipment are capitalised with the cost of plant and machinery and are fully depreciated when issued for consumption.

When a major overhauling is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinguished from physical parts) is derecognised.

(b) Intangible Assets

Intangible assets comprise computer softwares/licenses.

(c) Capital Work in Progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective Property, Plant and Equipment. Capital Work in Progress includes capital inventory excluding stores and spares.

H Foreign currency transactions and translations

Initial Recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transaction.

I Employee benefits

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

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.



***Defined benefit plans***

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method', with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

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

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

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

J Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

K Leases

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

L Earnings per share

Basic earning per share is computed by dividing the profit after tax by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit after tax by weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

M Taxes on income

Income tax expense comprises current tax and deferred tax. Current Tax is amount of tax for the period determined in accordance with the Income-tax Act, 1961. Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.





Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Such assets are reviewed at each balance sheet date to reassess realisation.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

N Capital Commitment

Estimated amount of contracts remaining to be executed on capital account above Rs.5 lakhs, in each case are considered for disclosure.

O Impairment of non - financial assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

P Provisions and contingencies

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability:

- i) is a possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the enterprise,
- ii) is a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

Q Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker i.e. Board of Directors. The company operates in a single segment of natural gas business in the National Capital Region.

R Operating Cycle

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



S Fair value measurement

The Company measures financial instruments such as investments in mutual funds, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

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

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

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

T 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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets are recognized initially at fair value. Financial assets which are not recorded at fair value through profit or loss are recognised at fair value plus transaction cost attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories:

Debt instruments

There are three measurement categories into which the company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at Amortized cost. Interest Income from these financial Assets is included in Finance Income using the effective interest rate (EIR) method.
- Fair Value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for Amortized cost are measured at Fair value through profit or loss. A gain or loss on a debt investment is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest Income from these financial assets is included in other income.

Impairment of financial assets

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



**Derecognition of financial assets**

A financial asset is derecognized only when:

- The company transfers the rights to receive cash flows from the financial asset or
- The company retains contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities

All financial liabilities are initially recognized at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft.

Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss (FVTPL) or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR.

The EIR amortization is included as finance cost in Statement of Profit and Loss.

Derecognition

A financial liability is derecognized 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 de recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in the Statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

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



**A Estimation of defined benefit obligation**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

B Impairment of trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

C Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.





Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

Green Gas Limited
CIN No.: U23201UP2005PLC30834

NOTES TO FINANCIAL STATEMENTS

For the year Ended March 31, 2018

2. Property Plant & Equipment

2. Property Plant & Equipment										(INR in lacs)
Particulars	GROSS CARRYING AMOUNT			DEPRECIATION/AMORTIZATION			NET CARRYING AMOUNT			
	As At 01.04.2017	Additions during the year	Sales/ Adjustments during the year	As At 31.03.2018	As At 01.04.2017	For the year	Adjustments	As At 31.03.2018	As At 31.03.2017	
(A) Property, plant and equipment										
Freehold land	2,439.48	1,222.19	-	3,661.67	-			-	2,439.48	
Factory Buildings	779.00	182.81	-	961.81	46.13	31.99		78.11	732.87	
Plant and Machinery	13,911.80	6,079.17	0.17	19,990.81	1,088.82	844.76	0.02	1,933.56	12,822.97	
Furniture and Fixtures	33.00	16.34	-	49.34	7.75	4.60		12.34	25.25	
Computers	49.77	15.70	-	65.46	10.27	16.56	-	26.82	39.50	
Total (A)	17,213.05	7,516.21	0.17	24,729.09	1,152.96	897.90	0.02	2,050.84	16,060.08	
(B) Intangible Assets										
Computer Software	36.55	-	-	36.55	5.62	6.86		12.48	30.93	
Total (A)	36.55	-	-	36.55	5.62	6.86	-	12.48	30.93	
(C) Capital Work in Progress*	5,100.31	7,381.08	6,062.45	6,418.94	-	-	-	-	5,100.31	
GRAND TOTAL (A+B)	17,249.60	7,516.21	0.17	24,765.64	1,158.58	904.76	0.02	2,063.32	16,091.01	

* Adjustment include the Inter head transfer



NOTES TO FINANCIAL STATEMENTS

	(INR in lacs)	
	As at March 31, 2018	As at March 31, 2017
(3) Other non-current assets		
Prepayment for land taken on operating lease	45.10	46.04
Deferred rent	1.58	2.39
Total other non-current assets	46.68	48.44
(4) Inventories		
Raw materials	6.10	4.84
Finished goods	4.58	3.79
Stores and spares	131.02	147.43
Total inventories	141.70	156.07
(5) Other current assets		
Advances to employees	11.88	15.06
Prepayments	19.30	13.16
Balance with government authorities	65.14	114.16
Current Portion of Operating lease	0.94	0.94
Capital advances	2,651.04	1,107.87
Advance to vendor	-	0.25
Others	-	0.72
Total other current assets	2,748.30	1,252.14



NOTES TO FINANCIAL STATEMENTS

Financial assets	As at March 31, 2018		As at March 31, 2017	
	Current	Non-current	Current	Non-current
(6) Trade receivables				
Trade receivables				
Unsecured, considered good	1,224.77	-	1,157.24	-
Less: Allowance for doubtful debts	2.75	-	2.75	-
Total receivables	1,222.02	-	1,154.48	-
(7) Cash and cash equivalents				
Balances with banks				
- in current accounts	204.11	-	435.70	-
Cash on hand	35.42	-	28.85	-
Total cash and cash equivalents	239.53	-	464.55	-
There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.				
(8) Other Bank Balances				
In term deposits having maturity over 3 months	2,369.65	-	6,199.18	-
Total Other Bank balances	2,369.65	-	6,199.18	-
(9) Other financial assets				
Security deposits	-	39.66	24.74	15.76
Interest accrued on FD	27.74	-	116.66	-
Insurance claim receivables	5.11	-	5.11	-
Unbilled revenue	99.68	-	111.19	-
Others	-	-	0.66	-
Total other financial assets	132.53	39.66	258.36	15.76

(INR in lacs)



NOTES TO FINANCIAL STATEMENTS

	(INR in lacs)		
	As at March 31, 2018		As at March 31, 2017
	Number of shares	Amount	Number of shares
		Amount	Amount
(10) Equity share capital			
Authorised			
10,30,00,000 Equity Shares of Rs. 10/- each	103,000,000	10,300.00	103,000,000
	103,000,000	10,300.00	103,000,000
Issued, Subscribed and Paid up			
4,61,09,500 Equity Shares of Rs. 10/- each fully paid up	46,109,500	4,610.95	46,109,500
	46,109,500	4,610.95	46,109,500
(a) Reconciliation of shares outstanding at the beginning and at the end of the year.			
Equity Shares			
Shares outstanding at the beginning of the year	46,109,500	4,610.95	46,109,500
Shares Issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	46,109,500	4,610.95	46,109,500
(b) Terms and rights attached to equity shares			
(i) The company has only one class of Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share.			
(ii) In the event of liquidation of the company Equity shareholders will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.			
(c) Shares of the company held by holding / ultimate holding company			
There is no holding/ Ultimate holding company of the company.			
(d) Details of shareholders holding more than 5% shares in the company			
	As at March 31, 2018		As at March 31, 2017
NAME OF SHAREHOLDER	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)
		% holding	% holding
GAIL (India) Limited	230.42	49.97	230.42
Indian Oil Corporation Limited	230.42	49.97	230.42

**Green Gas Limited**

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

NOTES TO FINANCIAL STATEMENTS

	(INR in lacs)	
	As at March 31, 2018	As at March 31, 2017
(11) Reserves and surplus		
a) Retained earnings		
Opening balance	20,671.83	16,193.84
Net profit for the period	4,301.43	4,479.99
Less: Dividend	(461.10)	
Less: Dividend Distribution Tax	(95.75)	
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligation, net of tax	52.38	(2.00)
Closing balance	24,468.79	20,671.83

**NOTES TO FINANCIAL STATEMENTS**

	(INR in lacs)	
	As at March 31, 2018	As at March 31, 2017
(12) Trade payables		
Trade payables	1,724.04	854.88
Total trade payables	1,724.04	854.88
(13) Other financial liabilities		
Current maturities of long-term debt	-	-
Interest accrued	-	-
Capital creditors	893.54	932.27
Deposits /Retention money from contractors and others	335.97	346.74
Security deposits from customers	1,870.39	1,401.91
Total other financial liabilities	3,099.90	2,680.92
Less: Non-Current Financial Liability	1,825.74	1,379.83
Total other Current financial liabilities	1,274.16	1,301.08
(14) Current tax liabilities/ (Assets)		
Opening balance	(34.93)	186.96
Add: Current tax payable for the year	1,902.00	2,180.00
Less: Taxes paid	(2,337.86)	(2,401.89)
Closing balance	(470.79)	(34.93)
(15) Other current liabilities		
Advances from customers	-	81.10
Statutory tax payables	177.28	144.86
Other	517.60	159.06
Total other current liabilities	694.88	385.03

**NOTES TO FINANCIAL STATEMENTS**

(16) Provisions	(INR in lacs)			
	31-Mar-18		31-Mar-17	
	Current	Non-current	Current	Non-current
Provisions for employee benefits				
Gratuity	-	28.26	-	43.52
Leave encashment	3.96	31.55	0.79	46.43
Total	3.96	59.81	0.79	89.95

**NOTES TO STATEMENT OF
PROFIT & LOSS ACCOUNT**

	(INR in lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(17) Revenue from operations		
Sale of products		
- CNG	27,401.60	21,455.37
- PNG	1,106.50	494.33
Total revenue	28,508.11	21,949.69
(18) Other income		
Interest income from bank	358.58	408.88
Unwinding of discount on security deposits	0.82	0.78
Miscellaneous income	328.68	59.74
Total Other Income	688.07	469.40
(19) Cost of material consumed		
Raw materials at the beginning of the year	4.84	5.36
Add: Purchases	13,805.80	9,299.85
Less: Raw materials at the end of the year	(6.10)	(4.84)
Total cost of material consumed	13,804.54	9,300.37
(20) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		
Opening balance		
Finished goods	3.79	3.51
Total opening balance	3.79	3.51
Closing balance		
Finished goods	4.58	3.79
Total closing balance	4.58	3.79
Total changes in inventories of finished goods, Stock-in -Trade and work-in-progress	(0.79)	(0.28)
(21) Employee benefit expense		
Salaries, wages and bonus*	562.49	336.89
Contribution to provident fund*	27.32	16.86
Gratuity	15.30	10.95
Leave Encashment	17.43	12.51
Staff welfare expenses	8.45	5.35
Total employee benefit expense	630.98	382.56
(22) Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Note 1)	897.90	674.80
Amortisation of intangible assets	6.86	5.45
Total depreciation and amortisation expense	904.76	680.25
(23) Other expenses		
Operating Expenses at CNG Stations	858.10	477.35
Fuel expenses	619.32	409.63
Compressor Operation and Maintenance Charges	662.56	488.14
Operation and Maintenance Dispensers	45.02	16.07
Rent*	114.32	93.83



Green Gas Limited

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Interest and Penalty*	4.20	
Advertisement & Sponsorship	46.14	246.79
Vehicle Hire and Running Expenses	406.09	60.47
<u>Repairs & Maintenance</u>		
-Plant and Machinery	102.73	75.73
-Others*	73.08	18.14
<u>Auditors Remuneration</u>		
as auditors	4.43	3.71
out of pocket expenses	-	1.49
Office Expenses*	461.23	87.20
Electricity Expenses*	116.90	51.83
Printing and Stationery	19.30	17.43
Legal and Professional Expenses	99.55	55.88
Travelling Expenses	39.52	32.76
Bank Charges	11.68	4.75
Interest paid*	2.41	185.52
Sitting fees	6.16	4.60
Excise duty on difference in Closing and Opening Stock	5.18	3.51
Bad Debts W/o	-	2.75
Miscellaneous Expenses*	135.36	136.59
Corporate Social Responsibility	66.00	60.68
Total Other expense	3,899.27	2,534.83
* Include Prior period expenses		
(24) Income tax expense		
(a) Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	1,902.00	2,180.00
Adjustments for current tax of prior periods		
Total current tax expense	1,902.00	2,180.00
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets		-
(Decrease) increase in deferred tax liabilities	388.89	226.51
Total deferred tax expense/(benefit)	388.89	226.51
Income tax expense	2,290.89	2,406.51
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	6,592.32	6,886.50
Tax at the Indian tax rate of 34.608% (March 31, 2016 – 34.608%)	2,281.47	2,383.28
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Reversal of depreciation due to wrong Capitalisation of Plant & Machinery	-	-
Corporate social responsibility expenditure	22.84	21.00
Other items	(18.24)	(6.54)
Remeasurements of post-employment benefit obligation	-	-
Adjustments for current tax of prior periods	2.60	4.04
Impact of Change in rate of tax on deferred tax	-	-
Excess Provisioning of Current Tax	2.23	4.73
Income tax expense	2,290.89	2,406.51

**Green Gas Limited**
Notes to balance sheet – Employee benefit obligations**25 Employee benefit obligations**

	31 March, 2018		31 March, 2017	
	Current	Non-current	Current	Non-current
Compensated absences	3.96	31.55	0.71	46.51
Gratuity	-	28.26	-	43.52
Total employee benefit obligations	3.96	59.80	0.71	90.03
				90.74

(i) Compensated absences

The leave obligations cover the Company's liability for leaves cashable on termination of employment. The leave obligation plan is a unfunded plan. The amount of the provision of Rs. 3.96 lacs (31 March, 2017: 0.71 lacs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The obligation towards compensated leaves which are expected to be availed or encashed beyond 12 months from the end of the year is determined by the actuary using the Project Unit Credit Method (PUC) as per Ind AS 19 at the end of each year. The following amounts reflect leave that is expected to be taken or paid within the next 12 months.

31 March, 2017

Current leave obligations expected to be settled within the next 12 months	3.96	0.71
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(ii) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company has purchased an insurance policy to provide for payment of gratuity of employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(iii) Defined contribution plans

The Company also has a defined contribution plan. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 23.15 (31 March 2017: INR 15.36 lacs).

	Gratuity	
	Present value of obligation	Fair value of plan assets
April 1, 2017	63.97	20.45
		43.52
Current service cost	12.92	12.92
Interest expense/(income)	4.79	1.53
Total amount recognised in profit or loss	17.71	1.53
		16.18

*Remeasurements*

Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.25)	0.25
(Gain)/loss from change in demographic assumptions	(14.17)	-	(14.17)
(Gain)/loss from change in financial assumptions	(1.72)	-	(1.72)
Experience (gains)/losses	(13.81)	-	(13.81)
Total amount recognised in other comprehensive income	(29.71)	(0.25)	(29.46)
Employer contributions	-	1.98	(1.98)
Benefit payments	(6.14)	(6.14)	-
March 31, 2018	45.83	17.57	28.26

* As liability towards leave obligations(compensated absence) is a other long-term defined benefit plan not post employment benefit plan, remeasurements gain/(losses) are recognised in profit & loss.



The net asset disclosed above relates to funded and unfunded plans are as follows:

	31 March, 2018	31 March, 2017
Present value of funded obligations	45.8	64.0
Fair value of plan assets	(17.6)	(20.5)
Surplus/(Deficit) of funded plan	28.3	43.5
Unfunded plans	-	-
Surplus/(Deficit) before asset ceiling	28.3	43.5

Effect of asset ceiling

Based on company's gratuity trust's arrangement with LIC of India, the benefit relating to net defined benefit asset shall be available to the company in full form of reduction in future contributions.

(iv) Post-Employment benefits and other long-term employee benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	31 March, 2018	31 March, 2017
Discount rate	7.7%	7.5%
Salary growth rate	10.00%	10.00%
Remaining working life	7.48 years	21.13 years
Withdrawal rate	12.00%	2.00%
Mortality Table	standard table – Indian Assured Lives Mortality (2006-08)	standard table – Indian Assured Lives Mortality (2006-08)

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact to defined benefit obligation		Decrease in assumption	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
Gratuity						
Discount rate	1%	1%	(3.56)	(10.73)	4.10	13.45
Salary growth rate	1%	1%	3.99	13.01	(3.54)	(10.62)
Attrition rate	1%	1%	(3.23)	(2.61)	6.21	3.06
Mortality	1%	1%	(0.01)	(0.08)	0.01	0.08

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumption used in preparing the sensitivity analysis did not changed compared to prior period.



INR in lacs
-
2.75
2.75
-
2.75

As at 01.04.2016
Provided during the year
As at 31.03.2017

Provided during the year
As at 31.03.2018

No significant changes in estimation techniques or assumptions were made during the reporting period.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable basis. Processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

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

As at 31.03.2018	Less than 1 year INR in lacs	More than 1 year INR in lacs	Total INR in lacs
Trade payables	1,681.07	42.97	1,724.04
Security deposits from customers	1,496.31	374.08	1,870.39
Capital creditors	628.19	265.35	893.54
Retention money from contractors and others	167.99	167.99	335.97
	3,345.37	585.03	3,930.39

As at 31.03.2017	Less than 1 year INR in lacs	More than 1 year INR in lacs	Total INR in lacs
Trade payables	841.33	13.55	854.88
Security deposits from customers	416.54	985.37	1,401.91
Capital creditors	626.75	305.52	932.27
Retention money from contractors and others	137.58	209.17	346.75
	2,022.20	1,513.61	3,535.81



(vi) The major categories of plans assets are as follows:

	31 March, 2018	31 March, 2017
	Amount	Amount
	in %	in %
Fund managed by insurer	17.57	20.45
	100%	100%
Total	17.57	20.45
	100%	100%

(vii) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are INR 38.05 lacs

The weighted average duration of the defined benefit obligation is 8 years. The expected maturity analysis of gratuity and other long-term employment benefits (Leave obligation) is as follows:

	1 year	2-5 years	6-10 years	More than 10 years	Total
31 March, 2018					
Defined benefit obligation (Gratuity)	4.65	18.26	21.13	58.91	102.95
Total	4.65	18.26	21.13	58.91	102.95
31 March, 2017					
Defined benefit obligation (Gratuity)	0.96	4.72	8.71	303.33	317.72
Total	0.96	4.72	8.71	303.33	317.72

**Significant judgment and estimate****Estimation of defined benefit obligation**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

26 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of the same in the financial statements.

(i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company. The company has expects a default from some of its trade receivable and has recognised loss allowances on these receivables till the year ended March 31, 2017. However, during the year ended March 31, 2018, the Company has not encounter any such loss.

Exposure to credit risk**As at 31.03.2018****As at 31.03.2017**

INR in lacs

INR in lacs

Financial assets for which loss allowance is measured using 12 months Expected Credit Losses

Trade receivables (gross)	1,224.77	1,157.24
Less: Loss allowances	(2.75)	(2.75)
Trade receivables (net)	<u>1,222.02</u>	<u>1,154.48</u>

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due.

Ageing analysis**As at 31.03.2018****As at 31.03.2017**

INR in lacs

INR in lacs

Upto 6 months	691.05	1032.84
More than 6 months	530.97	121.64

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

**27. Contingent Liabilities & Commitments (to the extent not provided for):****I. Contingent Liabilities:**

Sr.No.	Particulars	As at 31.03.2018 (Rs. in Lacs)	As at 31.03.2017 (Rs. in Lacs)
(a)	Claims against the Company not acknowledged as debts	55.81	55.81
(b)	Tax related matters*	166.05	186.91
(c)	Other Matters**	1800.00	1800.00
(d)	Letter of Credit	627.34	1420.43
(e)	Bank Guarantee	2641.05	605.80
	Total	5290.25	4068.95

***Tax Related Matters**

- a) A demand of Rs. 8.41 Lacs had been raised by U P Commercial Tax Department for the financial year 2005-06 against which the Hon'ble High Court has passed an order favoring the company for deletion of the above said demand. The Appeal effect is yet to be given by the Commercial Tax Department, Lucknow.
- b) A demand of Rs. 27.03 Lacs had been raised by U P Commercial Tax Department for the financial year 2006-07 against which the Hon'ble High Court has passed an order favoring the company for deletion of the above said demand. The Appeal Effect is yet to be given by the Commercial Tax Department, Lucknow.
- c) A demand of Rs. 6.78 Lacs had been raised by U P Commercial Tax Department for the financial year 2010-11 against which company has filed appeal with Additional Commissioner (Appeal), Commercial Tax Lucknow. The Appeal has since been rejected by the Additional Commissioner (Appeals), Commercial Tax Department, Lucknow against which the appeal with the Tribunal is yet to be filled.
- d) A demand of Rs. 20.95 Lacs had been raised by U P Commercial Tax Department for the financial year 2011-12 against which company has filed appeal with Additional Commissioner (Appeal), Commercial Tax Lucknow
- e) In respect of Assessment Year 2011-12, Income Tax Department has disallowed certain expenses claimed by the Company and has made a tax demand of Rs.94.36 Lacs on account of the same. The Company filed an appeal against the aforesaid demand with Income Tax Appellate Tribunal and it was set aside by the Hon'ble ITAT, Lucknow bench. Now the case is pending before Assessing Officer for disposal.
- f) In respect of Assessment Year 2012-13, Income Tax Department has disallowed certain expenses (Rs. 7.50 lacs) claimed by the Company and has made a tax demand of Rs.8.52 Lacs on account of the same. The Company has filed an appeal against the aforesaid demand and same is pending with Income Tax Appellate Tribunal, Lucknow Bench.

g) **Other Demands

A demand of Rs. 1,000.00 Lacs and Rs 800.00 Lacs has been raised on 13th March 2014 towards Building Cess by the Building and Other Construction Workers Welfare Board, Ministry of Labour UP under Building and Other Construction Workers Welfare Cess Act 1996 for Lucknow and Agra respectively. As per the legal opinion obtained by the company the provisions of Building and Other Construction Workers Welfare Cess Act 1996 are not applicable to the company. The company has filed its reply to the concerned department with a request to quash the said demands.

Further Lucknow bench of Hon'ble Allahabad High Court had stayed the recovery of INR 1000 Lacs cess in case of Lucknow with a rider to pay INR 15.13 Lacs which were admitted by Green Gas Limited. The reassessment is in process with the Labour department, Lucknow. Further in the case of Agra, replies had been submitted long back to concerned authority against the demand of INR 800 Lacs and no further communication/intimation is received from the Labour department, Agra.



In the opinion of the management and based on earlier decisions of appellate authorities, the demands raised are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

SL No.	Particulars	As at 31.03.2018 (Rs. in Lacs)	As at 31.03.2017 (Rs. in Lacs)
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	1215.71	3855.79
(b)	Uncalled Liability on shares and other investments partly paid	Nil	Nil
(c)	Other commitments	Nil	Nil
	Total	1215.71	3855.79

28. On overall basis, assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which these are stated in the financial statements.

29. Earning per share

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net profit /(loss) attributable to Shareholders (Rs. in Lacs)	4353.80	4477.99
Weighted Average Number of equity shares	46,109,500	46,109,500
Basic Earnings per Share of Rs. 10/- each (in Rs.)	9.44	9.71
Diluted Earnings per Share of Rs. 10/- each (in Rs.)	9.44	9.71

30. Segment Reporting

The Company has only one line of business, which is manufacture and sale of compressed natural gas (CNG) and Piped Natural Gas (PNG). There are no other reportable segments as per Indian Accounting Standard (INDAS)-108 on "Operating Segment".

31. In accordance with the Indian Accounting Standard (Ind AS-38) on Impairment of Assets, the company has assessed whether any indications with regard to impairment of any assets exists as on Balance sheet date. Based on such assessment, it has been ascertained that there are no such indications and thereby no formal estimate of recoverable amount has been made. Accordingly, no impairment loss has been provided in the books of account.
32. The information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per Schedule-III of the Companies Act, 2013 :

a) Information regarding raw material & stores and spares consumed:

Particulars	31 st March, 2018 (Rs. In Lacs)	Percentage	31 st March, 2017 (Rs. In Lacs)	Percentage
Raw Material				
Natural Gas	13804.54	100%	9300.37	100%
Stores & Spares				
Indigenous	16.41	100%	18.45	100%
Imported	-	-	-	-
Total	16.41	100%	18.45	100%


b) CIF value of Imports:

i)	Capital goods	:	Nil (Previous Year Nil)
ii)	Spare parts and components	:	Nil (Previous Year: Nil)

c) Others:

i)	Expenditure in Foreign Currency	:	Nil (Previous Year NIL)
ii)	Earnings in Foreign Currency	:	Nil (Previous Year: NIL)

33. Related Party Transactions

Disclosure as required by Indian Accounting Standard (Ind AS 24) on "Related Party Disclosures" issued under Companies (Indian Accounting Standard) Rules, 2015.

List of related parties as on 31.03.2018:
(a) Promoter venturer:

- i. GAIL (India) Limited
- ii. Indian Oil Corporation Limited

(b) Key management personnels (KMPs):

- i. Mr. G.K.Satish, Chairman.
- ii. Mr R Chadha, Managing Director.
- iii. Mr. Jiledar, Managing Director
- iv. Mr. A.K.Tiwari, Director
- v. Mr. B A Reddy, Director Commercial
- vi. Mr. S.K. Singh, Chief Financial Officer (Till 28th June, 2017), later on the post is vacant

Transactions with related parties during the year

(Rs. In Lacs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Value of Transaction during the year	Outstanding Balance at the Year end March 31, 2018	Value of Transaction during the previous year	Outstanding Balance at the Year end March 31, 2017
GAIL (India) Limited	Enterprise having Significant Influence	Purchase of Natural Gas	14425.11	531.03 Cr	9361.50	345.74 Cr
		Remuneration (Secondment Expenses)	67.97	6.44 Cr	60.86	4.28 Cr
		Other Expenditure / Payments	Nil	1.44 Cr	0.8	Nil
		Security deposits	Nil	2.00 Dr	Nil	2.00 Dr
GAIL Gas Limited	Subsidiary of Enterprise having Significant Influence	Purchase of Natural Gas (Transportation Expense)	513.35	21.28 Cr	412.18	18.42 Cr



Indian Oil Corporation Limited	Enterprise having Significant Influence	Purchase of Natural Gas	Nil	Nil	Nil	Nil
		Sale of CNG	11588.33	205.55 Dr	10818.23	283.20 Dr
		Remuneration (Secondment Expenses)	66.57	6.96 Cr	78.45	40.33 Cr
Key Management Personnel						
Shri Raman Chadha	Managing Director (upto 31.5.2016)	Remuneration (Secondment Expenses)	N.A.	N.A.	17.89	N.A.
Shri Jiledar	Managing Director (w.e.f. 1.6.2016)	Remuneration (Secondment Expenses)	67.97	6.44	42.97	N.A.
Shri B A Reddy	Director (Commercial)	Remuneration (Secondment Expenses)	66.57	6.96	62.42	N.A.
Sri S. K. Singh	Chief Financial Officer (upto 28.06.2017)	Salary & Allowances	9.46	N.A.	17.58	N.A.

Salaries, allowances and other related payments include payments made to the related Companies on account of Key management personnel which are also disclosed separately.

34. Registry of title deeds in the name of the company for the land at CNG station, Gomti Nagar, Lucknow is pending.
35. The company's vendor, GAIL India Limited had raised a claim of Rs. 1147.37 lacs & Rs. 145.98 lacs during the financial year 2010-11 & 2011-12 towards the balance amount of spur line charges due to it with respect to previous years. The same was not shown under contingent liability since the management was of the view that the vendor's claim was not tenable. During the financial year 2012-13, GAIL India Limited has reversed the aforesaid claim in line with the contention of the company.
For the same, company has lodged a claim of Rs. 946.47 lacs on account of spur line charges recoverable in terms of existing agreement and which have already been paid to GAIL India Limited. The same is pending for settlement.

36. The Company's contractor M/S Taurant Projects Limited was awarded 3 contracts for steel pipelines laying at Agra. Contractor had subsequently raised a claim of Rs. 531.85 Lacs towards miscellaneous charges related to the said projects.

Company is of the view that said claims are not tenable and are based on arbitrary and imaginary facts. Further company had launched a counter claim of Rs. 1030.82 Lacs on the contractor for delay in project and loss of profit to the company and the case is under arbitration with sole arbitrator. The proceedings are continuing since December 2016.

37. As per Section 135 of the Companies Act 2013, and in line with the CSR vision and mission, Green Gas Limited had incurred following expenses towards Corporate Social Responsibility in FY 2017-18

- Green Gas Limited has given Rs. 10.00 lacs to Divisional Forest Office Avadh Forest division for tree plantation.
- Green Gas Limited, had provided furniture to Government primary schools through Basic Education Department amounting to Rs. 35.00 lacs and also distributed gifts to students worth Rs. 0.10 lacs
- Green Gas Limited has provided the insurance of 30000 CNG Vehicle Drivers amounting to Rs. 5.90 lacs
- Green Gas Limited provided furniture to Government Schools in Agra worth Rs. 15.00 lacs.

Company had incurred total expenditure of Rs. 66 lacs on CSR activities as against Rs. 111 lacs approved by Board.

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38. The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

39. Previous year figures have been regrouped and reclassified wherever considered necessary. Figures are rounded off to lakh rupees with two decimal points.

As per our report of even date
For RMLall & Co.
FRN: 000932C
Chartered Accountants

Vikas C. Srivastava
Partner
Membership No. : 401216

Place : Lucknow
Date : 04th May, 2018

For and on behalf of Board

(BA Reddy)
Director (Commercial)
DIN: 07060106

(Jiledar)
Managing Director
DIN: 07560807

Place : New Delhi
Date : 30.04.2018

(Nikit Rastogi)
Company Secretary

**Green Gas Limited**

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

INDEPENDENT AUDITORS' REPORT

To,
The Members
Green Gas Ltd,
2nd Floor, Fortuna Tower,
10, Rana Pratap Marg,
Lucknow.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of Green Gas Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act read with relevant rules issued there under.

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

Auditor's Responsibility

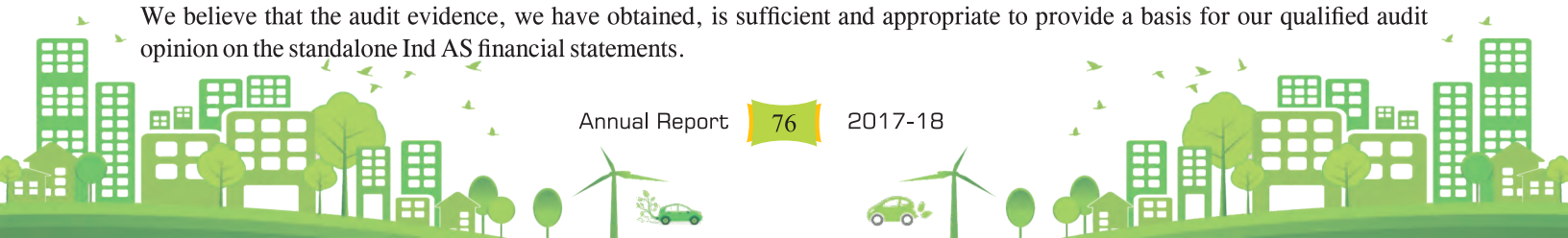
Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

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

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

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



**Basis for Qualified Opinion**

The Company has not discharged its liability amounting in total to Rs. 9,83,406 with respect to GST on LD Charges of Rs. 13,18,648.50 and Extra GI Income of Rs 39,70,895.65 charged during the year.

Accordingly, profits of the company as well as shareholders fund would have been reduced by Rs 9,83,406.

Emphasis of Matter

We draw attention to Note No. 35 stating that claim amounting to Rs. 946.47 lacs on account of spur line charges recoverable in terms of existing agreement and which have already been paid to GAIL India Limited, is pending for settlement. Our opinion is not qualified in respect of this matter.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for matters described in basis for qualified opinion` paragraph the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date and,
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date and,
- (d) In case of Statement of Changes in Equity, of the Change in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

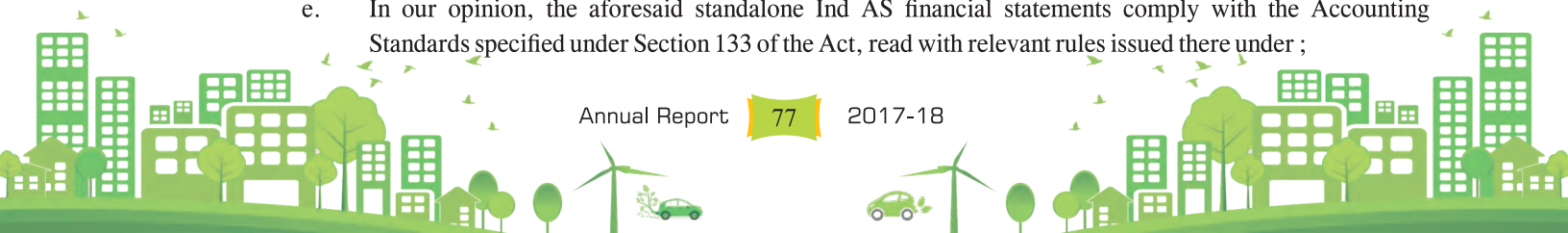
1. As required by the Companies (Auditor's Report) Order, 2016 ('the order') issued by the Central Government of India in terms of sub section (11) Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The CAG of India has issued directions under section 143(5) of the Companies Act, 2013, the compliance of which are set out below -

Directions:

- a) The Company has clear title deeds for freehold lands except for land at CNG Station, Gomti Nagar, Lucknow measuring 600 sq. mtrs.
- b) There are no cases of waiver/write off of debts/loans/interest etc.
- c) Adequate records have been maintained for inventories lying with third parties. No assets have been received as gift/grant(s) from Govt. or other authorities.

3. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from the examination of those books;
- c. The Company does not have any branch office;
- d. The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and the statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
- e. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under ;





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- f. On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the director is disqualified on 31st March, 2018 from being appointed as a director on the terms of section 164 (2) of the Act;
- g. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operation effectiveness of such controls, refer to our separate report in Annexure B.
- h. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit & 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 as referred to in Note 27 (1) to the financial statements.
 - ii. the company has made provision, as required under the applicable law and accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts.
 - iii. no amount is required to be transferred to the Investor Education and Protection Fund by the Company

Place: Lucknow
Date: 4th May 2018

For R M Lall & Co
Chartered Accountants
FRN : 000932C

Sd/-
(Vikas C Srivastava)
Partner
M. No. 401216





Annexure A referred to in our Independent Auditors' Report of even date to the Members of Green Gas Limited on the Standalone Ind AS financial statements for the year ended on 31st March, 2018.

On the basis of such tests as we considered appropriate to apply, the information and explanations rendered to us by the management during the course of audit, we report as under:-

(i)	(a)	The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Companies Act, 2013.
	(b)	The company has carried out physical verification of the fixed assets once during the year and no material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the all immovable properties are held in the name of the company except for freehold land at CNG Station, Gomti nagar, Lucknow measuring 600 sq mtrs., whose title is yet to be registered in the name of the Company.
(ii)		The inventory of the company has been physically verified by the management once during the year and no material discrepancies were noticed on such verification.
(iii)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, no 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 have been granted by the Company.
(iv)		The Company has no loans, investments, guarantees and security covered under the provisions of Section 185 and 186 of the Companies Act, 2013. Thus, paragraph 3 (iv) of the Order is not applicable to the Company.
(v)		As per the information and explanation given to us, the company has not accepted any deposits from public, hence the directions issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
(vi)		The cost records for the financial year 2017-18 prescribed under section 148 (1) of the Companies Act 2013, could not be produced before us for our verification. Hence, we are unable to comment whether such records are accurate and complete.
(vii)	(a)	According to the information and explanation given to us and on the basis of our examination of records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues except GST on LD Charges and Extra GI Income amounting to Rs. 9,83,406/-.
		Other than the above and according to the information and explanation given to us, no other undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) As informed to us, the following dues have not been deposited by the Company on account of disputes :-

Sr. No.	Name of the Statute	Assessment Year	Amount involved	Amount deposited (Rs. lakhs)	Forum where dispute is pending
1	UP VAT Act, 2008	2006-07	8.41	Excess tax Rs 19.36 lakhs deposited eligible for refund	Commercial Tax Department, Lucknow
2	UP VAT Act, 2008	2007-08	27.03	-	Commercial Tax Department, Lucknow



3	UP VAT Act, 2008	2011-12	6.78	-	Appeal rejected by Additional Commissioner (Appeals) Commercial Tax, Lucknow. Appeal with Tribunal is yet to be filed.
4	UP VAT Act, 2008	2012-13	20.95	Rs 12.57 lakhs in the form of FD & Rs 8.38 lakhs against Stay order	Additional Commissioner (Appeals), Commercial Tax, Lucknow
5	Income Tax Act, 1961	2011-12	94.36	-	Assessing Officer, Income Tax, Lucknow
6	Income Tax Act, 1961	2012-13	8.52	-	Income Tax Appellate Tribunal, Lucknow Bench
7	Building and Other Construction Workers Welfare Cess Act 1996	2009-2014	1,800.00	-	Office of the Regional Labour Commissioner (Central), Kanpur

(viii)		The Company does not have any loans or borrowings from any financial institution, banks, government or dues to debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
(ix)		As per the explanations given by the management and on the basis of our examination of records, the Company has not raised money by way of initial public offering (including debt instruments) and term loans.
(x)		According to the information and explanations given to us, we report that neither any fraud on or by the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.
(xi)		According to the information and explanation given to us and based on our examination of the records of the Company, it has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
(xii)		In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
(xiii)		According to the information and explanations given to us and based on our examination of the records of the Company, 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 Standalone Ind AS financial statements as required by the applicable accounting standards.
(xiv)		According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
(xv)		According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
(xvi)		The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Annexure B referred to in our Independent Auditors' Report of even date to the Members of Green Gas Limited on the financial statements for the year ended on 31st March, 2018

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

We have audited the internal financial controls over financial reporting of Green Gas Limited as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial reporting is a process designed to provide reasonable assurance 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 expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have 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 degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and on our audit, the following control deficiencies have been identified in operating effectiveness of the Company's internal financial control over financial reporting as at 31st March 2018 -

- a) SAP B1 (Basic Model with limited users license) was functional since April 2017 and due to some technical glitches/malfunctioning and corruption of data, the software was re-implemented in October 2017. Although certain data and



balances were reinstated, most of the transactions had to be entered from scratch altogether. During the course of our audit, we noticed the under mentioned control issues in SAP -

- i. There is no quantitative mapping of the principal item i.e. Natural Gas with respect to its Purchase, Sale and conversion of natural gas into CNG.
 - ii. The Master Chart of Accounts in SAP needs to be reviewed and reconstructed as lot of control accounts have been created and entries routed through them which has resulted in cumbersome transactions. Further, such accounts also include un-reconciled balances related to PNG, Domestic, Commercial and Industrial customers for which no details could be produced before us and are subject to adjustment.
 - iii. On a number of days, negative balances appear with respect to transactions pertaining to Cash collections at Mother Stations and their subsequent deposition in the banks as these are not recorded in chronological order. The SAP software does not prompt or alerts the user regarding such entries.
 - iv. Due to SAP re-implementation, on account payments have been recorded which are not mapped to individual bills / existing provisions.
 - v. Physical voucher numbers are not matching with the actual voucher numbers generated in SAP for a number of months post re-implementation of the software.
- b) During the course of our audit we came across a number of cases where the Piped Natural Gas customers have not been billed for usage of PNG domestic gas. In a number of cases the bi-monthly billing cycle has not been strictly followed thereby resulting in the postponement of revenue. We also noticed the cases in SAP where customers ID is inactive, his conversion date is mentioned and billing has been done. Conversely, a number of cases have been noted where the customers ID is active, his conversion date is not mentioned and no billing has been done. Further, we noticed that the meter readings taken by the third party staff manually are not cross-checked for correctness by the marketing department as there is no review mechanism before recording such data in SAP for billing purpose. Instances have come to our notice wherein negative consumption readings have been submitted by the third party staff i.e. cases where the customer's current meter reading is lower than the previous meter reading.
- c) While reviewing Bank Guarantees, received from the vendors, we observed that confirmations from banks with respect to 30 bank guarantees amounting in total to Rs. 3,54,27,250 are still pending.

A material weakness is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is reasonable possibility that a material misstatement of the Companies' annual or interim financial statements will not be prevented or detected on timely basis.

In our opinion, except for the effects/probable effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the company considering the essential components of the internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of March, 31st 2018 standalone Ind AS financial statements of the company and these material weakness does not affect our opinion on the standalone financial statements of the company.

Place: Lucknow
Date: 4th May 2018

For R M Lall & Co
Chartered Accountants
FRN : 000932C

Sd/-
(Vikas C Srivastava)
Partner
M. No. 401216





Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

CAG REPORT

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GREEN GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of Green Gas Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the companies Act, 2013 (Act) is 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 04 May 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6) (a) of the financial statements of Green Gas Limited for the year ended 31 March 2018. This Supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Sd/-

(Nandana Munshi)

Director General of Commercial Audit
& ex- officio Member, Audit Board- II
New Delhi

Place : New Delhi

Date : 18.07.2018





Green Gas Limited

(A JV of GAIL (India) Ltd. & IOCL)
CIN No. U23201UP2005PLC30834

PHOTO 2017-18



PNG Domestic Inauguration - Cantt. Residential Area



12th GGL Day Celebration

SAFETY FIRST





GREEN GAS LIMITED

(A Joint Venture of GAIL(India) Ltd. & IOCL)

For Better Environment and Clean Air to Breathe

REGISTERED OFFICE

Fortuna Tower, 2nd Floor, 10 Rana Pratap Marg, Lucknow 226 001