



Board of Directors



Mr. M. Ravindran
Chairman



Mr. R. Chadha
Managing Director



Mr. B.A. Reddy,
Director (Commercial)



Prof. Deepak Kunzru
Independent Director



Mr. Narendra Singh
Independent Director



Mr. G.K. Satish
Director



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Independent Director

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Independent Director

Mr. G.K. Satish
Director

Company Secretary
Shri Rajeev Guglani

Statutory 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

Corporation Bank
11 B.N. Road,
Qaisarbagh Branch,
Lucknow- 226 001

Axis Bank Ltd.
102/44, Hewett Road
Shivaji Marg,
Lucknow - 226001
Uttar Pradesh

REGISTERED OFFICE

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

DIRECTORS' REPORT

(for the year ended March 31, 2015)

To
The Members,

Your Directors have pleasure in presenting the 10th Annual Report of your company together with the Audited financial Statements for the Financial Year ended 31st March 2015.

The Directors are pleased to share with you that your Company has maintained sustainable growth and earned profit despite economic slowdown & moderated business sentiment in the Financial Year 2014-2015.

1. Performance of the Company (A financial review)

GGL's summarized financial performance for the year ended 31st March 2015 is given in Table 1.

Table 1: GGLs' Abridged Profit & Loss Statement

(Rs. in crore)

S.No	Particulars	2013-14	2014-15
1	Sales and Operating Income	183.17	185.37
2	Excise Duty	22.91	22.99
3	Net Sales (1 - 2)	160.26	162.38
4	Other Income	1.75	1.90
5	Total Revenue (3 + 4)	162.01	164.28
6	Raw Material	99.01	96.07
7	Operating & Other Expenses	20.46	22.03
8	Total Expenses	119.47	118.10
9	PBDIT (5-8)	42.54	46.18
10	Depreciation and Amortization	7.05	4.85
11	Interest and finance charges	1.02	0.62
12	Prior Period Expenses/Exceptional Item	0.00	0.00
13	Profit Before Tax (9-10-11-12)	34.47	40.72
14	Income Tax	10.21	11.16
15	Deferred Tax	1.63	2.79
16	Profit After Tax (12-13-14)	22.63	26.77
17	Profit/(loss) brought forward from previous year	78.08	100.71
18	Profit/ (loss) available for appropriation	100.71	127.48
19	Balance carried to Balance Sheet	100.71	127.48
20.	Operating Margins	26.55%	28.44%

Note:

1. Operating margin has improved on account of additional allocation of Administered Price Mechanism and Panna Mukta Tapti gas by Ministry of Petroleum and Natural Gas. .

2. 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.

3. 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.

4. RESERVE

During the year under review, your Company has not transferred any amount to reserve.

5. 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.

6. 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".

7. 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.

There is no 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.

8. STATE OF COMPANY'S AFFAIRS

a) Year in retrospect

Your Company began its commercial operation of selling CNG from 2nd April 2006. In its ninth year of operation,

the Gross Turnover achieved by your company was Rs.185.37 crore. The Profit after Interest, Depreciation, tax, operating expenses & extraordinary items was Rs. 26.77 crore compared to a profit of Rs. 22.63 Crores reported in the previous financial year. The Profit After Tax margin has increased to 17% of the turnover in FY 2014-15, as compared to 14% in FY 2013-14 mainly due to lower gas cost, depreciation and interest.

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 Compressed Natural Gas Corridors along Natural Gas Pipelines routes. The Green Gas corridor Kanpur-Lucknow (80 Km) is completed.

b) Challenges

A challenge before your Company would be to roll out its City Gas Distribution 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 manpower and skill development. Further, some of the deterrents that are being addressed to the appropriate authority for ex. 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) Risk management framework

Green Gas Limited is in the process of framing risk management policy for identifying risks that may have a bearing on the organization's objectives. Presently risks are being evaluated on the basis of their impact and likelihood by Senior Management Group (SMG) consisting of senior executives of company.

The Senior Management Group (SMG) assists the management in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

d) 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.

A Senior Management Group (SMG) consisting of Senior Executives undertake discussions and take joint decision on all major issues.

The performance of the company has been satisfactory when viewed in the light of resistive & unfavorable business environment, which resulted in undesirable incubation costs of Compressed Natural Gas Stations, and gestation costs of fresh investments. As a result, project implementation and full throttle commissioning of Compressed Natural Gas Stations also got delayed.

9. SHARE CAPITAL AND FINANCIAL CLOSURE OF GREEN GAS LIMITED

During the year under review, the Board of Green Gas Limited has accorded approval for the allotment of equity shares equally to Gail (India) Limited and Indian Oil against advance equity of Rs. 43.06 Crores pending allotment.

Thus, with allotment of equity share capital the paid-up and subscribed share capital of Green Gas Limited has been increased from Rs. 5 Lakh to Rs. 46.11 Crores (approximately). During the financial year 2014-15, Green Gas Limited has not raised any fresh borrowing from Banks. Company is looking at new ways to raise balance equity as previous mandates given to M/s SBI Capital Markets Limited Financial could not materialize

10. CAPITAL EXPENDITURE AND WORKING CAPITAL MANAGEMENT

As at 31st March 2015, the fixed and intangible assets, including capital work in progress, stood at Rs. 183.70 crore. The Working Capital during the FY 2014-15 has improved due to receipt of pending payment from Debtors.

11. PERFORMANCE HIGHLIGHTS (LUCKNOW)

► Sales Growth

- ☞ Annual Compressed Natural Gas Sales (in Standard Cubic Meter) have increased to 6.1% in the financial year 2014-15 as compared to financial year 13-14.
- ☞ Annual Piped Natural Gas Sales (in Standard Cubic Meter) have increased to 46.6% in the financial year 2014-15 as compared to financial year 13-14.

► Infrastructure Growth

- ☞ Piped Natural Gas Networks: Approx. 32 kms of pipeline networks were laid in the city in the financial year 2014-15 as compared to 15 Kms (approximately) in the financial year 2013-14.
- ☞ Piped Natural Gas Domestic Connections: 1809 nos. of households (Cumm. 2619 nos.) were connected with PNG supply as compared to 387 nos. of households in the financial year 2013-14

PERFORMANCE HIGHLIGHTS (AGRA)

► Sales Growth

- ☞ Annual Compressed Natural Gas Sales (in Standard Cubic Meter) have increased to 6.32% in the financial year 2014-15 as compared to financial year 13-14.
- ☞ Annual Piped Natural Gas Sales (in Standard Cubic Meter) have increased to 78.4% in the financial year 14-15 as compared to financial year 13-14.

► Infrastructure Growth

- ☞ Piped Natural Gas Networks: Approx. 26 kms of pipeline networks were laid in the city in the financial year 2014-15 as compared to 71 Kms (Approximately) in the financial year 2013-14

- ☛ Piped Natural Gas Domestic Connections: 2330 nos. of households (Cumm. 5250 nos.) were connected with PNG supply as compared to 1719 in the financial year 13-14.

12. BUSINESS PLAN OF GREEN GAS LIMITED FOR FINANCIAL YEAR 2015-16

The company has created Compressed Natural Gas dispensing capacity of 227250 kg/day and there is a plan to create additional Compressed Natural Gas dispensing capacity of 108000 kg/day for the financial year 2015-16.

Green Gas Limited has connected 7869 domestic connections till March 2015 and there is a plan of connecting 15000 houses (PNG Domestic) by March 2016. However, inspirational targets given by Ministry of Petroleum & Natural Gas are 20000 for the financial year 2015-16.

Green Gas Limited has laid approximately 529.79 (inch -Km) steel pipeline upto 31st March 2015 and plan to lay down 120 (inch -Km) steel pipeline in the financial year 2015-16 and also laid approximately 292.55 (Km) MDPE Network upto 31st March 2015 and plan to lay down 300 (Km) MDPE Network in the financial year 2015-16.

13. 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 has also granted authorization for Agra vide letter No. S-Infra/II/1/2008-Vol.II-Agra dated 12th November 2009.

14. 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 services 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 Piped Natural Gas & Compressed Natural Gas, which is a cleaner fuel and helps users reduce the pollution levels 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 markets by participation in the bids invited by Petroleum and Natural Gas Regulation Board. for implementation of the CGD network across the country in upcoming CGD bid rounds of the Petroleum and Natural Gas Regulation Board.

Your company meets all the digitization requirements of Ministry of Petroleum & Natural Gas 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 holders. 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.

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

(a) TECHNOLOGY ABSORPTION:

Under the additional information required under the provisions of section 134(1) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, there is no information to be furnished regarding technology absorption as your company has not undertaken any research & development activity in its manufacturing operations nor any specific technology is obtained from any external source which needs to be absorbed or adopted.

(b) CONSERVATION OF ENERGY

On conservation of energy, which is an ongoing process in the Company's manufacturing 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 Compressed Natural Gas Compressor without any venting of Gas to atmosphere.

Further, pursuant to the provisions of section 134 (1) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, the following information is provided.

S.N.	Power and Fuel Consumption	Financial Year(2014-2015)	
		Lucknow	Agra
1.0	Electricity		
1.1	Purchased Units(KVAH)	158652	96968
	Rate/Unit(Rs.)	7.93	8.49
	Total Amount (Rs)	1258110	823258
1.2	Own generation		
(a)	Through Diesel Generator(KWH)	10844	NIL
	Units(KWH) per Litre of Diesel oil	3.87	NIL
	Cost per unit (Rs/Unit)	14.73	NIL
(b)	Through Gas Generator(KWH)	6593	20655
	Units (KWH) per SCM of Natural Gas	3.23	3.25
	Cost per unit (Rs)	4.63	5.06
2.0	Fuel Consumption		
	Fuel (NG) consumed in Gas Engines		



	Volume of gas (SCM)	1884749	1045627
	Rate of gas (RS/SCM)	14.98	16.44
	Total amounts(Rs.)	28233540	17193808

(c) FOREIGN EXCHANGE EARNINGS & OUTGO

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

16. PARTICULARS OF EMPLOYEES UNDER COMPANIES ACT, 2013

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are 'NIL'.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

Your Company does not have any subsidiaries and Joint venture companies as on 31st March, 2015.

18. 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 2014-15.

19. KEY MANAGERIAL PERSONS

In line with requirements of Sec 203 of Companies Act, 2013, your company has nominated the following as the Key Managerial Personnel of the Company

1. Managing Director, GGL
2. Director (Commercial), GGL
3. Head of Finance, GGL, as Chief Financial Officer,
4. Company Secretary

20. 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 City Gas Distribution 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 Compressed Natural Gas Stations are as per the guidelines of OISD-179. Petroleum & Explosive Safety Organisation also monitors safety compliances at Compressed Natural Gas Stations 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 Petroleum & Explosive Safety Organisation, Petroleum Natural Gas Regulatory Board and other relevant codes/standards are being monitored and compliance of the same is being taken up from time to time. The process for odorisation as per Petroleum Natural Gas Regulatory Board regulation has been initiated and shall be installed by Dec.2015.

21. CORPORATE GOVERNANCE

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

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

22. AUDITORS

a) STATUTORY AUDITOR

During the year under review, M/s R.M.Lall & Co. has been appointed as statutory Auditor by Comptroller and Auditor General of India as per the provision of the Companies Act 2013.

The Statutory Auditors' Report to the shareholders is having few qualifications/ Observations which are replied below:

A) Qualifications:

Interest on overdue payments from UPSRTC/LCTSL

Reply: The matter is being taken up regularly with UPSRTC/LCTSL MD & other officials by GGL at different levels in various meetings. During various meetings with MD UPSRTC & MD LCTSL matter of payment of interest was taken up but they have declined to accept payment of interest of late payment saying that they are state run organization and having limited resources. In view of the same company has not accounted for interest on delayed payment as per agreement as realization of the same is not certain. However GGL is continuing its efforts for the realization of interest payment from UPSRTC & LCTSL. Last reminder was sent on 02.06.15 to LCTSL.

B) Emphasis of Matter:

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).

C) Other Legal and Regulatory Requirements

Considering the roles and responsibility to be discharged by the independent Directors as per the provisions of Companies Act 2013, suitable candidates could not have been identified considering their experience, knowledge, etc. and consequently the requisite committees prescribed under Companies Act 2013 could not have been formed. However, at present, the process for the identification of independent directors has been completed and requisite committees consisting of independent Directors have been constituted.

Shri Narendra Singh and Dr. Deepak Kunzru have been inducted as additional Directors (Independent Directors) on the Board of Green Gas Limited for a period of three years as per the provisions of companies Act 2013 and have submitted the declarations that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

D) Other Observations:

- 1) Auditors have observed that payments were made to the professional firms for their services through personnel cheques by employees from Imprest given to them and receipts of such payments. Company has stopped such practice even before the same are pointed out by the Auditors. Such points shall also be taken care of in future transactions.
- 2) Auditors have raised certain issues on security and hierarchical administrative controls relating to Tally software used by the Company for accounting. In this regard, it is to point out that tally software is meant for small business and has certain limitations and cannot be compared with other ERP software systems. However, to improve the quality of reporting and security of accounting data, company is evaluating various options to implement an ERP system commensurate with its size and area of operations. The process for implementation of ERP shall be completed by March 2017.
- 3) Auditors have also pointed out that company has not maintained cost records for financial year 2014-15. In this respect, it is pertinent to mention that company has filed all relevant forms and returns with respect to maintenance of cost records and audit thereof upto the year 2013-14. Further, Cost Auditor for the financial year 2014-15 had been appointed and necessary forms are filed with Ministry and Corporate Affairs. It may be noted that company has opted for maintaining records on annual basis and not on daily basis. These cost records are required to be reconciled with financial statements; therefore, these are normally finalized only after audit of financial results and were under preparation at the time of audit. Cost records are now prepared and are under audit by company's Cost Auditor. Necessary reports and forms shall be filed in time after due approval from Competent Authority.

The Auditors, M/s. R.M.Lall & Co, Lucknow holds office until the conclusion of the forthcoming Annual General Meeting. Statutory Auditor for the financial year 2015-16 shall be appointed by the Comptroller and Auditor General.

b) SECRETARIAL AUDITOR

As a good Corporate Governance practice, your company introduced voluntary Secretarial audit to assure management about the compliances. The main objective of secretarial audit is to check, focus and advice on the governance status and practice in a company. The secretarial Audit is always in the better interest of every corporate management as an independent professional will certify that the company has carried out the compliances under the Act. This will also serve the larger interest of the shareholders, creditors and employees.

Secretarial audit for the financial year 2014-2015 was conducted by M/s Amit Gupta & Associates, Practicing Company Secretary, Lucknow. Secretarial audit report is enclosed with Director Report as "Annexure B".

The Board of Green Gas Limited has constituted the requisite Committee's i.e. Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee as per provisions of Companies act 2013. Further, KMP's has also been nominated as per provisions of companies Act 2013.

With reference to comment regarding delay under the Legal Metrology Act, it is submitted that delay was inadvertent in respect of the payment of statutory fees for 3 outlets (TP Nagar, Taj Nagari, Vyom fuels) out of the 6 Outlets in Agra which fell due on 28-11-2014, 29-11-2014 & 30-11-2014 respectively. Further appropriate safeguards have been put in place to ensure payment of fees one month prior to the expiry date. All the Asset in-charge has been sensitized on the above requirements under the statutory act.

We further state that there has been no intimation received by the company from any authorities for any material breach/default in regard to applicable laws during the year under review.

c) COST AUDITOR

Your Company had re-appointed M/s. K.L.Prabhakar, Lucknow as Cost Auditors for the financial year 2015-16. 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.L.Prabhakar, Lucknow, Cost Accountant as the Cost Auditor of the Company for the financial year 2015-16 at the remuneration of Rs. 30000/- plus service tax.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. K.L.Prabhakar, Lucknow, Cost Auditors is included in the notice convening the Annual General Meeting.

d) INTERNAL AUDITOR

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 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.

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 transaction 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.

Further, during the year under review, M/s D.S.Shukla, Chartered Accountant, Lucknow has conducted internal audit of Green Gas Limited for the financial year 2014-15.

23. 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.

24. HUMAN RESOURCES REVIEW

Your Company recognizes contribution of its Human Resources (HR) in providing it the competitive advantage. The Company has achieved its present level of excellence through investment in its human resource, whose skill and knowledge constitute the basis of every initiative- be it technology or innovation. Developing skills and capabilities of employees to improve manpower utilization and labour productivity is the key thrust area of Human Resource Management (HRM) in the Company.

Your Company provides an environment conducive for learning, encourages adoption of best practices in every area and nurtures creativity and innovation among employees. HR initiatives in GGL are focused on developing team spirit, employee empowerment and their involvement in various improvement activities.

Various HR initiatives taken during FY-2014-15 -

- 1) Celebrations / National Festivals / Employee Participation/Others-
 - i) GGL Day- GGL celebrated its 10th Foundation Day on 07.10.2014 at Hotel India Awadh, which was attended by all GGL employees and other stakeholders. The program included live musical performance, various games for kids, Quiz etc and prizes were also distributed to participants.

The celebrations were a big hit and there was an active participation of all the employees and their families.

- ii) Independence Day- The National festival of Independence Day was celebrated at GGL Lucknow and Agra Locations on 15.08.2014. At Lucknow Flag hosting was done by MD and at Agra by OIC, Agra.

- iii) Republic Day- The National festival of Republic Day was celebrated at GGL Lucknow and Agra Locations on 26.01.2015. At Lucknow Flag hosting was done by MD and at Agra by OIC, Agra.
- iv) Swachh Bharat Abhiyan- On the occasion of 150th birth anniversary of Mahatma Gandhi i.e. 2nd October, 2014, swachhta Shapath was administered by all the GGL employees at Lucknow and Agra followed by cleanliness drive for sensitizing employees towards sanitation as a part of Swachh Bharat Abhiyan.
- v) Vigilance Awareness Week- For sensitizing the employees towards the role of Vigilance as a part of Good governance, Vigilance Awareness Week was observed from 27th October-2014 to 1st November-2014 at GGL Corporate office, Lucknow. During this various competitions like Vigilance Quiz, Essay Writing and Slogan Writing were organized and prizes were also distributed to participants.

2) Developing Employees Capabilities & Competencies-

Your Company believes that training facilitates the development of employee's knowledge and skills so that the resultant growth of competence contributes towards attainment of organization's goals and objectives. GGL has been making sustained efforts through various training and development activities with focus on preservation, transfer and improvement of skills, knowledge, technology in collaboration with reputed organizations and development of effective managerial competencies.

Preparing employees for tomorrow, for effectively taking up challenges and discharging new roles and responsibilities was given a major thrust.

During the financial year 2014-15, the employees were nominated for various functional and developmental training programs and conferences considering the business requirement of company. Few of the major training programs / conferences includes - 3rd Annual Master Class on LNG & Gas Contracts pricing methodologies and strategies from 01.05.2014 to 02.05.2014 organized by Metis Business Solutions at New Delhi, Emergency Planning & Disaster Management in Chemical, Petroleum, Petrochemical and Pharmaceutical Industry from 29.09.2014 to 01.10.2014 organized by NDMA, PNGRB & FICCI at Goa and 2nd Interactive workshop on Emerging Gas trading in India from 27.10.2014 to 28.10.2014 organized by energy pvt. Ltd at New Delhi.

3) Harmonious Employee Relations-

Your Company has maintained its glorious tradition of building and maintaining a conducive and fulfilling employee relations environment. The healthy practice of sorting out and settling issues through discussions with employees enabled the Company in ensuring employees participation at different levels and establishing a peaceful IR climate.

4) HR Policies

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

25. BOARD OF DIRECTORS

a) COMPOSITION :

The Company has four Directors on its Board comprising two Executive Directors namely Managing Director and Director (Commercial) and two Non-Executive Directors. The composition and category of Directors along with other Directorships as on March 31, 2015:



Name of Directors	Category	Directorship in other company
Shri M. Ravindran (Chairman)	Non-Executive	1. Gail (India) Ltd. 2. Mahanagar Gas Limited 3. ONGC Petro Addition Limited 4. Bhagyanagar Gas Limited 5. GAIL Global (USA) Inc. 6. GAIL Global (USA) LNG LLC 7. Indraprastha Gas Limited
R.Chadha Managing Director	Executive	1. Vadodra Gas Limited 2. Andra Pradesh Gas Distribution Corporation Limited
B.A.Reddy Director (Commercial)	Executive	NIL
G.K.Satish	Non-Executive	1. GSPL India Gasnet Limited 2. GSPL India Transco Limited 3. Indianoil-Adani Gas Pvt. Ltd.

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

During the Financial Year ended March 31, 2015, the Board of Green Gas Limited met five 05 times during the year 2014-15 at regular intervals on 24th July 2014, 8th Sep. 2014, 22nd Nov. 2014, 20th Feb. 2015, 31st March 2015. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The last Annual General Meeting was held on September 24th, 2014.

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

Name of Director	41st BM 24.07.14	42nd BM 08.09.14	43rd BM 22.11.14	44th BM 20.02.15	45th BM 31.03.15	AGM 24.09.14
Shri A.M.K. Sinha	Yes	NA*	NA	NA	NA	NA
Shri M.Ravindran	Yes	Yes	Yes	Yes	Yes	Yes
Shri S.P.Sharma	Yes	Yes	Yes	NA	NA	Yes
Shri A.K.Kashyap	Yes	Yes	Yes	NA	NA	Yes
Shri V.S.Okhde	NA	Yes	NA	NA	NA	NA
Shri G.K.Satish	NA	NA	Yes	Yes	Yes	NA
Shri R. Chadha	NA	NA	NA	Yes	Yes	NA
Shri B.A.Reddy	NA	NA	NA	Yes	Yes	NA

1. Shri A.M.K Sinha ceased to be Director w.e.f. 31st July 2014.
2. Shri S.P.Sharma ceased to be Director w.e.f. 12th Dec. 2014.
3. Shri A.K.Kashyap ceased to be Director w.e.f 29th Dec. 2014.
4. Shri V.S.Okhde ceased to be Director w.e.f 24th Sep. 2014

5. Shri M.Ravindran appointed as additional Director w.e.f 27th June 2014.
6. Shri G.K.Satish appointed as additional Director w.e.f 05th Nov. 2014
7. Shri R.Chadha appointed as additional Director w.e.f 12th Dec. 2014
8. Shri B.A.Reddy appointed as Additional Director w.e.f 31th Dec. 2014

c) INDUCTION AND CESSATION OF DIRECTORS

During the year under review the following directors are inducted on the Board of Green Gas Limited.

1. Shri Raman Chadha, General Manager, Gail (India) Limited, Nominee of Gail has been appointed as additional Director w.e.f 12.12.2014 in place of Shri S.P.Sharma, Managing Director, Green Gas Limited.
2. Shri B.A. Reddy, Chief Manager, IndianOil has been appointed as as additional Director w.e.f 31.12.2014 in place of Shri Aseem Kumar Kashyap, Chief Manager, Indian Oil/ Director (Commercial), GGL.
3. Shri G.K.Satish, Executive Director, Indian Oil has been appointed as additional Director w.e.f 05.11.2014 in place of Shri V.S.Okhde, Director (Pipeline), Indian Oil/ Chairman, Green Gas Limited.

Further, the Directors take this opportunity to place on record their highest appreciation for the invaluable contribution made by Shri V.S.Okhde, Shri S.P.Sharma, Shri A.K.Kashyap during their tenure as Directors on the Board of Directors of the Company.

d) 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. M. Ravindran, (DIN: 02309551) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re- appointment at the ensuing Annual General Meeting.

e) INDEPENDENT DIRECTORS

Shri Narendra Singh and Dr. Deepak Kunzru have been inducted as an additional Director (Independent Directors) on the Board of Green Gas Limited for a period of three years as per the provisions of companies Act 2013 and have submitted the declarations that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

f) CONSTITUTIONS 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

1) AUDIT COMMITTEE

The Board constituted the Audit Committee consisting of the following directors

- a) Shri Narendra Singh, Independent Director, as Chairman
- b) Dr. Deepak Kunzru , Independent Director
- c) Shri Raman Chadha, Managing Director

Audit Committee shall act in accordance with the terms of reference which shall, inter alia, include,-

- (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.

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)

Nomination & Remuneration policy is being framed and the Nomination and Remuneration Committee shall, while formulating the policy ensure that-

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
- (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals
- (d) Any other matter incidental to the above or connected thereto

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 Raman Chadha, Managing Director, GGL, as Chairman
- b) Shri B.A.Reddy, Director (Commercial),GGL
- c) Shri Narendra Singh, Independent Director, GGL
- d) Dr.Deepak Kunzru , Independent Director, GGL

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

26. CORPORATE SOCIAL RESPONSIBILITY

Your company had taken adequate Budget approval in the financial year 2014-15 for requisite expenditure in the CSR as per the provisions of companies Act 2013, however, due to non-induction of independent director on the Board of Green Gas Limited in the financial year 2014-15, the CSR Committee could not have been formed to finalize CSR policy and other modalities in this regard as per provisions of Companies Act 2013.

Thus, in the absence of independent Director on the Board of Green Gas Limited in the financial year 2014-15, a Senior Management Group "SMG" has been constituted to look after the various strategic matters including the issues related with implementation of Corporate Social Responsibility in Green Gas Limited as per the provisions of Companies Act 2013.

With the constitution of CSR Committee, the Corporate Social Responsibility policy and others modalities related with the implementation of Corporate Social Responsibility in Green Gas Limited are being finalized and be implemented in Green Gas Limited in the financial year 2015-16.

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

Internal Complaints Committee in compliance with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are being constituted.

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

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT :

Your Company has received intimation from Gail (India) Limited for the payment of Rs. 5 Crores (approximately) under annual take or pay claim for the contract year 2014 related with Long Term RLNG GSA.



The matter is being followed up with Gail (India) Limited for deferment of the same as it could materially impact on the financial position of the company.

29. 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.

30. 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,

B.A.Reddy
Director (Commercial)

R.Chadha
Managing Director

Place: Lucknow
Date: 02 .09. 2015

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015**

[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 :

i.	CIN	U23201UP2005PLC30834
ii.	Registration Date	07.10.2005
iii.	Name of the Company	Green Gas Limited
iv.	Category/Sub-Category of the Company	Public Company/Limited by shares
v.	Address of the Registered office and contact details	Green Gas Limited Fortuna Tower, 10, Rana Pratap Marg, Lucknow- 226001
vi.	Whether listed company	No
vii.	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 turnover 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 The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

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

i. Category-wise Share Holding



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	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	25000	25000	50	0	46084497	46084497	99.956	49.96
e) Banks / FI	0	20000	20000	40	0	20000	20000	0.043	(39.06)
f) Any Other	0	0	0	0	0	3	3	0.000006	0.000006
Sub total(A)(1):-	0	45000	45000	90	0	46104500	46104500	99.999	9.999
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 Share-holding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	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) FIs	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	0	0	0	0	0	0	0	0



2. Non Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
(i) Indian									
(ii) Overseas									
b) Individuals	-	5000	5000	10	-	5000	5000	0.010850	(9.09)
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh									
c) Others	0	0	0	0	0	0	0	0	0
i) NRI	0	0	0	0	0	0	0	0	0
ii) Market Maker	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	50000	50000	100	0	46109500	460109500	100	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			
		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	% change in share holding during the year
1.	Gail (India) Limited	12500	25	Nil	23042250	49.97		24.97%



2.	Indian Oil Corporation Limited	12500	25	Nil	23042250	49.97	24.97%
	Total	25000	50	NIL	46084500	99.94	49.94%

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

Sr. no		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
	Shareholding of Gail (India) Limited				
	At the beginning of the year	12500	25	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): allotment.	23029750* Due to allotment of shares to Gail (India) Limited against advance equity pending	49.97	23042250	49.97
	At the End of the year	23042250	49.97	23042250	49.97

Sr. no		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
	Shareholding of Indian Oil Corporation Limited				
	At the beginning of the year	12500	25	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	23029750* Due to allotment of shares to Indian Oil against advance equity pending allotment.	49.97	23042250	49.97
	At the End of the year	23042250	49.97	23042250	49.97

V. INDEBTEDNESS (In Lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	639.01	Nil	Nil	639.01
ii) Interest due but not paid	5.38			
iii) Interest accrued but not due				
Total (i+ii+iii)	644.39	Nil	Nil	644.39
Change in Indebtedness during the financial year				
- Addition	Nil	NIL	NIL	
- Reduction	70.00	Nil	Nil	70.00
Net Change	70.00	Nil	Nil	70.00
Indebtedness at the end of the financial year				
i Principal Amount	569.01	Nil	Nil	569.01
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	569.01	NIL	NIL	569.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD					Total Amount
		Shri Sunil Prasad Sharma	Shri Raman Chadha	Shri Pankaj Mathur	Shri Aseem Kumar Kashyap	Shri B.A.Reddy	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.86	10.69	5.09	19.85	7.40	64.89



	(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	1.58	.72	.63	.93	.57	4.43
2.	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL
4.	Commission - as% of profit - others, specify...	NIL	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
6.	Total(A) Ceiling as per the Act	23.44 172	11.41 172	5.72 172	20.78 172	7.97 172	69.32

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Mr. A.M.K. Sinha	Mr. Rajesh Vedvyas	Mr. M. Ravindran	Mr. G.K.Satish	Total Amount
	Independent Directors	NIL	NIL	NIL	NIL	NIL
	·Fee for attending board committee meetings					
	·Commission					
	·Others, please specify					
	Total(1)					
	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL
	·Fee for attending board committee meetings					
	·Commission					
	·Others, please specify					
	Total(2)	NIL	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD (in Lacs)

Sl. no.	Remuneration Particulars of	Key Managerial Personnel		
		CFO	CS	Total
1.	Gross salary	15.23	11.76	
	(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	Nil	Nil	
	(c) Profits in-lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	
2.	Stock Option	Nil	Nil	
3.	Sweat Equity	Nil	Nil	
4.	Commission - as % of profit - others, specify...	Nil	Nil	
5.	Others, please specify	Nil	Nil	
6.	Total	15.23	11.76	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There are no penalties, punishments or compounding of offence on directors or on Company or any other officer in Default.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[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, Uttar Pradesh - 226 001

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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,

We hereby report that in our opinion

- i. The company has, during the audit period covering the financial year ended on 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 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 Company were 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 Company were 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 transaction 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 securities issued by Company were not listed during the period under review and also the Company has not acquired shares of any Listed Company during the period under review;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - not applicable as the securities issued by Company were not listed 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 - not applicable as the securities issued by Company were not listed during the period under review;
 - 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 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 Petroleum Act, 1934
 - (b) Petroleum Rules, 2002
 - (c) The Petroleum and Natural Gas Regulatory Board Act, 2006
 - (d) Explosives Act, 1884
 - (e) Explosives Rules, 2008
 - (f) Gas Cylinders Rules, 2004
 - (g) The Legal Metrology Act, 2009
 - (h) The Environment Protection Act, 1986
 - (i) The Water (Prevention and Control Pollution) Act, 1974
 - (j) The Air (Prevention and Control Pollution) Act, 1981

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as not notified during the period under review); and
- (ii) Listing Agreements entered into by the Company with Stock Exchanges (not applicable as the securities issued by Company were 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:

1. Where as in terms of the provisions of Section 149(4) & 149(5) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment And Qualification Of Directors) Rules, 2014, the Company was required to appoint at least two Independent Directors on the Board of the Company latest by 31st March, 2015, the Company could not comply with the same. However as informed by management the Company has appointed two Independent Directors recently in Board meeting held on July 30, 2015.
2. Whereas in terms of the provisions of Section 177(1) of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014, the Company was required to constitute an Audit Committee of the Board latest by 31st March, 2015, the Company could not comply with the same. However as informed by management the Company has appointed two Independent Directors in Board meeting held on July 30, 2015 and the Audit Committee has also been duly constituted.
3. Whereas in terms of the provisions of Section 178(1) of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014, the Company was required to constitute a Nomination & Remuneration Committee of the Board latest by 31st March, 2015, the Company could not comply with the same. However as informed by management the Company has appointed two Independent Directors in Board meeting held on July 30, 2015 and the Nomination & Remuneration Committee has also been duly constituted.
4. Whereas in terms of the provisions of Section 135(1) of the Companies Act, 2013 read with rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to constitute a Corporate Social Responsibility Committee of the Board, consisting of at least one Independent Director, the Company could not comply with the same. However as informed by management the Company has appointed Independent Directors in Board meeting held on July 30, 2015 and the Corporate Social Responsibility Committee has also been duly constituted.
5. Whereas the provisions of Section 203 of the Companies Act, 2013 became applicable on the Company w.e.f. 31st March, 2015 on increase in paid up share capital of the Company to Rs. 46.11 crores, and the Company is having Managing Director & Company Secretary. The Company has also re-designated its Chief Manager (Finance) as Chief financial Officer to nominate him as Key Managerial Personnel in their meeting held on July 30, 2015.
6. Whereas Legal Metrology Act, 2009 and rules made there under requires for verification/calibration of weights & measurements used by the Company, at regular interval, we have noted delays therein.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-

Executive Directors. However the Board of Company has no Independent Director, where as in terms of the provisions of Section 149(4) & 149(5) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment And Qualification Of Directors) Rules, 2014, the Company was required to appoint at least two Independent Directors on the Board of the Company latest by 31st March, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- ☛ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, however we 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 and 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.

We 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 effective monitoring and ensuring of compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

- (i) Made allotment of 4,60,59,500 equity shares of Rs. 10/- each at par to GAIL (India) Limited & Indian Oil Corporation Limited against share application money (pending allotment) of Rs. 46.06 Crores (approximately).

**For Amit Gupta & Associates
Company Secretaries**

**Amit Gupta
Proprietor**

Membership No. : F5478

C.P. No. 4682

Date: 12.08.2015

Place: Lucknow

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



To,

The Members,
Green Gas Limited,
Fortuna Tower, 2nd Floor, 10 Rana Pratap Marg, Lucknow, Uttar Pradesh - 226 001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we 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. Our 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.

For Amit Gupta & Associates
Company Secretaries

Amit Gupta
Proprietor
Membership No. : F5478
C.P. No. 4682
Date: 28.08.2015
Place: Lucknow

BALANCE SHEET AS AT MARCH 31, 2015

					(Rs. in Lacs)
PARTICULARS	NOTE		As At 31.03.2015		As At 31.03.2014
I. EQUITY & LIABILITIES					
(1) Shareholders' Funds					
(a) Equity Share Capital	2		4,610.95		5.00
(b) Reserves and Surplus	3		12,747.69		10,070.63
(2) Share Application Money	4		-		4,606.08
Pending allotment					
(3) Non Current Liabilities					
(a) Long Term Borrowings	5		152.31		569.01
(b) Deferred Tax Liabilities	6		947.52		668.62
(c) Long Term Provisions	7		75.30		59.70
(4) Current Liabilities					
(a) Trade Payables	8		1,098.63		535.16
(b) Other Current Liabilities	9		2,592.82		1,136.41
(c) Short Term Provisions	10		136.05		0.67
Total			22,361.27		17,651.28
II. ASSETS					
(1) Non Current Assets					
(a) Fixed Assets	11				
(i) Tangible Assets		11,735.92		11,575.77	
(ii) Intangible Assets		0.69		1.57	
(iii) Capital Work in Progress		3,936.51	15,673.12	3,117.94	14,695.28
(b) Long-Term Loans And Advances	12		600.09		30.66
(c) Other Non-current Assets	13		-		42.42
(2) Current Assets					
(a) Inventories	14		181.52		241.21
(b) Trade Receivables	15		745.00		1,088.90
(c) Cash & Bank Balances	16		4,901.64		1,282.09
(d) Short Term Loan & Advances	17		165.06		207.18
(e) Other Current Assets	18		94.83		63.54
Total			22,361.27		17,651.28

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****Rajeev Guglani**

Company Secretary

S K Singh

Chief Manager (Finance)

Vikas C. Srivastava**Partner****Membership No. : 401216****B A Reddy**

Director (Commercial)

R Chadha

Managing Director

Place : Lucknow

Date : 22 June 2015

Place : Lucknow

Date : 20th May 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

		(Rs. in Lacs)	
PARTICULARS	NOTE	For the year ended 31.03.2015	For the year ended 31.03.2014
REVENUE			
Revenue from operations	19	16,237.57	16,026.37
Other Income	20	190.47	174.96
Total Revenue		16,428.04	16,201.33
EXPENDITURE			
Cost of Raw materials consumed		9,606.95	9,901.11
Change in inventories of Finished goods and Stock in trade		(0.70)	(1.63)
Employee Benefits Expense	21	270.93	237.72
Finance Costs	22	61.92	102.08
Depreciation & Amortisation Expense	11	484.64	705.71
Other Expenses	23	1,932.37	1,808.98
Total Expenditure		12,356.10	12,753.97
Profit before exceptional and extra ordinary items and tax		4,071.94	3,447.36
Exceptional Items		-	-
Profit before Tax		4,071.94	3,447.36
Less: Tax Expense			
- Current Tax		1,116.00	1,021.00
- Deferred Tax		278.89	163.74
Profit/(loss) for the year from continuing operations		2,677.06	2,262.62
Profit/(loss) for the year		2,677.06	2,262.62
Basic Earnings per Share (in Rs.)		1,519.41	4,525.24
Diluted Earnings per Share (in Rs.)		1,519.41	4.91

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
Rajeev Guglani
 Company Secretary

S K Singh
 Chief Manager (Finance)

Vikas C. Srivastava
 Partner
 Membership No. : 401216

B A Reddy
 Director (Commercial)

R Chadha
 Managing Director

 Place : Lucknow
 Date : 22 June 2015

 Place : Lucknow
 Date : 20th May 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	CURRENT YEAR 31st MARCH 2015 Amount (Rs.Lacs)		PREVIOUS YEAR 31st MARCH 2014 Amount (Rs.Lacs)	
Cash flow from Operating Activities				
Net profit before taxation and prior period adjustment		4,071.94		3,447.36
Add:				
Depreciation	484.64		705.71	
Interest Expense	56.86		102.08	
Preliminary expenses written off		541.50		807.79
Less:				
Depreciation written back				
Interest Income	163.57		134.86	
		163.57		134.86
Operating profit before working capital changes		4,449.87		4,120.29
Changes in the Working Capital				
Decrease/(Increase) in Inventories	59.69		(65.08)	
Decrease/(Increase) in Trade receivables	343.90		(466.56)	
Decrease/(Increase) in Long term Loans & Advances	(569.43)		76.47	
Decrease/(Increase) in Short term Loans & Advances	42.12		(8.28)	
Decrease/(Increase) in Other current assets	(31.29)		(41.69)	
(Decrease)/Increase in other Current Liabilities	1,456.29		(554.72)	
(Decrease)/Increase in Long term Provisions	15.60		(9.50)	
(Decrease)/Increase in Short term Provisions	135.38		(27.81)	
(Decrease)/Increase in Trade payables	563.47	2,015.73	17.25	(1,079.92)
Cash generated from operations		6,465.60		3,040.36
Taxes		1,116.00		1,021.00
Net cash from operating activities (A)		5,349.60		2,019.36
Cash flow from Investing Activities				
Add:				
Interest Income	163.57		134.86	
Less:				
Purchase of Fixed Asset (including CWIP)	1,462.48	(1,298.91)	2,698.96	(2,564.10)



Net cash from investing activities (B)		(1,298.91)		(2,564.10)
Cash flow from Financing Activities				
Add:				
Proceeds from Borrowings (Net)	(416.70)		499.01	
Less:				
Interest Expense	56.86		102.08	
Repayment of borrowings	-	(473.56)		396.93
Net cash from financing activities (C)		(473.56)		396.93
Net increase/(decrease) in cash and cash equivalents (A+B+C)		3,577.13		(147.81)
Cash & cash equivalents at beginning of financial year		1,324.51		1,472.32
Cash & cash equivalents at end of financial year*		4,901.64		1324.51*

*Cash and cash equivalent at the end of financial year includes Rs 42.42 Lacs as on 31.03.2014 as earmarked balances with banks See accompanying notes forming part of the 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

Place : Lucknow
Date : 22 June 2015

Rajeev Guglani
Company Secretary

B A Reddy
Director (Commercial)

Place : Lucknow
Date : 20th May 2015

S K Singh
Chief Manager (Finance)

R Chadha
Managing Director

Notes to the Financial Statements for the year ended 31st March, 2015

1. Significant Accounting Policies

a) **Basis of preparation of financial statements**

The financial statements have been prepared on accrual basis under the historical cost convention in accordance with Generally Accepted Accounting Principles and applicable accounting standards referred to in section 133 of the Companies Act, 2013 and other relevant provisions of the Act.

b) **Fixed assets**

- i. Fixed Assets are stated at original cost less accumulated depreciation. 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, capitalization is made on estimated basis, subject to necessary adjustment in cost and depreciation in the year of settlement.
- ii. Machinery spares, which can be used only in connection with an item of fixed asset and their use is expected to be irregular, are capitalized with the cost of that fixed asset and are depreciated fully during the remaining useful life of that asset.

c) **Impairment of Assets**

The carrying amount of the assets, including those assets that are not yet available for use, are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of the assets is estimated. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss will be reversed if there are changes in estimates used to determine the recoverable amount in future periods. An impairment loss is reversed only to the extent that the carrying amount of assets does not exceed the net book value that would have been determined; if no impairment loss had been recognized

d) **Depreciation /Amortization**

- i. Depreciation/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 Rs. 5,000/- are depreciated fully in the year of capitalization.
 - Cost of leasehold land is amortized over the lease period.
 - Computer Software are amortized on straight line method 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.
- ii. 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.

e) **Intangible Assets**

Intangible assets like software, licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

f) Capital Work in Progress

- i. Any compensation is accounted for under Capital Work-in-Progress on the actual payments/ estimated liability, as and when work commences where right of use is acquired.
- ii. The Capital Work-in-Progress includes value of materials/ equipments, etc, received at site and/or Store for use in the Projects.

g) Expenses Incurred During Construction Period

All expenditure incurred during the year, which is exclusively attributable to acquisition/ construction of fixed assets, is capitalized at the time of commissioning of such assets.

h) Inventories

- i. Raw material (Natural Gas) is valued at Cost on First in First Out (FIFO) basis or Net Realisable Value, whichever is lower.
- ii. Finished goods - Stock of Compressed Natural Gas (CNG) in cascades is valued at Cost or Net Realizable Value, whichever is lower.
- iii. Stores & Spares are valued at weighted average Cost or Net Realizable Value, whichever is lower.

i) Revenue recognition

Sales:

CNG: Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations.

PNG: Revenue on sale of Piped Natural Gas (PNG) is recognized based on the consumption by the consumer.

Interest:

Interest income from deposits is recognized on prorate 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 realizable
- b) Generally at cost

Income and expenditure upto Rupees One lakhs in each case pertaining to previous years are accounted for in the current year.

Pre-paid expenses upto Rupees One lakhs in each case are charged to Statement of Profit & Loss in the year in which it is incurred.

j) Capital Commitments

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

k) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of an eligible capital asset are

capitalized as a part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l) Taxation

Income tax expense comprises current tax (that is amount of tax for the period determined in accordance with the Income tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liability or deferred tax asset are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization. Such assets are reviewed at each Balance Sheet date to reassess realization. Where there are unabsorbed depreciation and carry forward losses under tax laws, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized in future.

m) Provisions and Contingencies

A provision is recognized 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.

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.

n) Foreign Currency Transactions

Transactions in foreign currency are translated at the exchange rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities are translated at exchange rates prevailing as at the year end. Exchange gains or losses arising out of fluctuation in exchange rates on settlement during the year and / or translation at year end are recognized in the statement of profit and loss.

o) Employee Benefits

Short Term Employee Benefits:

Short Term Employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which related service is rendered.

Post Employment Benefits

Defined Contribution Plans:

Provident Fund: Contribution to provident fund is made in accordance with the provisions of the employee provident fund and miscellaneous provisions act, 1952 and is recognized as an expense in the statement of profit and loss.

Defined Benefit Plans:

Gratuity: Provision for gratuity liabilities to employees is made on the basis of actuarial valuation as at the close of the year.

Leave with Wages: Provision for leave with wages is made on the basis of actuarial valuation as at the close of the year.

p) Operating Lease

Lease rentals are recognized as an expense in the statement of profit and loss on straight line basis over the term of the lease.

q) Earnings Per Share

Basic earnings per share are computed using the weighted average numbers of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average numbers of equity shares and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

r) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements, disclosure of contingent liabilities and reported amounts of revenues and expenses for the year. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual result could vary from these estimates and any such differences are dealt with in the period in which the results are known / materialize.

s) Cash Flow Statement

Cash Flows are reported using the indirect method as provided in Accounting Standard-3, whereby profit (loss) before extra-ordinary items and tax is adjusted for the effect of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investment or financing activities of the company or segregated based on the available information.



		(Rs. in Lacs)	
Notes to Financial Statements		As at 31 st March 2015 Rs.	As at 31 st March 2014 Rs.
2. Share Capital			
Authorised			
10,30,00,000 Equity Shares of Rs. 10/- each		10,300.00	10,300.00
		10,300.00	10,300.00
Issued, Subscribed and Paid up		4,610.95	5.00
46109500 Equity Shares of Rs. 10/- each fully paid up		4,610.95	5.00
a. Reconciliation of shares outstanding at the beginning and at the end of the year.			
Equity Shares	As at 31st March 2015	As at 31st March 2014	
	Number	Number	Amount
Shares outstanding at the beginning of the year	50,000	50,000	5.00
Shares Issued during the year	46,059,500	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	46,109,500	50,000	5.00
b. Terms / Rights attached to Equity Shares.			
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.			
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 held by holding / ultimate holding company and / or their subsidiaries / associates			
There is no holding / ultimate holding company of the company			
d. Details of Shareholders holding more than 5% shares in the company.			
	As at 31st March, 2015	As at 31st March 2014	
Name of Shareholder	No. of Shares held	No. of Shares held	% of Holding
GAIL (India) Limited	23,042,250	12,500	25%
Indian Oil Corporation Limited	23,042,250	12,500	25%
IL&FS Trust Company Limited	10,000	10,000	20%
Infrastructure Development Finance Company Limited	10,000	10,000	20%
e. The company has not issued any shares for consideration other than cash or by way of bonus shares and no shares have been bought back during the period of five years immediately preceding the reporting date.			



Notes to Financial Statements	As at 31st March, 2015	As at 31st March, 2014
3. Reserves and surplus		
Surplus in Statement of Profit and Loss		
Opening balance	10,070.63	7,808.01
Add : Surplus for the year	2,677.06	2,262.62
Total	12,747.69	10,070.63
4. a. Share Application Money Pending Allotment		
Advance against Equity Share Capital (from Indian Oil Corporation Limited)	-	2,302.98
Advance against Equity Share Capital (from GAIL (India) Limited)	-	2,303.10
	-	4,606.08
b. 2,30,29,750 shares of Rs. 10 face value are issued at par to each of the two aforesaid share applicants. This would constitute approximately 22.50% of authorised share capital for each of the applicants, further 5% of the Equity would be contributed by the Uttar Pradesh Government.		

5 Long- Term Borrowings

PARTICULARS	TOTAL		Non-Current Portion		Current Portion	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Term loans (Secured)						
From Banks						
State Bank Of India	-	70.00	-	-	-	70.00
Corporation Bank	569.01	569.01	152.31	569.01	416.70	-
	569.01	639.01	152.31	569.01	416.70	70.00
Less:						
Amount disclosed under the head "Other Current Liability" (Refer Note 9)	416.70	70.00			416.70	70.00
	152.31	569.01	152.31	569.01	-	-
a Term Loan from State Bank India was availed in terms of agreement dated 19.03.2007 with a consortium of banks. Rate of interest chargeable on loan is Base Rate plus 2.90% p.a. The Loan was repayable in 18 equal quarterly installments starting from March, 2010 of Rs. 72 lakhs per quarter. The Loan was secured by first pari passu charge on the movable and immovable fixed assets of the Project, both present and future. A second charge by way of hypothecation on all current assets, both present and future relating to the Project Ranking Pari Passu.						
b Corporation Bank has sanctioned Term Loan of Rs 50 crores in term of agreement dated 11th September 2013 against which draw down of Rs 5.69 crores had already been availed at an interest rate of base rate plus 0.25%. The Loan is repayable in 72 equal monthly installments starting from Oct, 2015. The Loan is secured by first pari passu charge on the movable and immovable fixed assets of the project of the company.						

	As at 31st March, 2015	As at 31st March, 2014
6. Deferred Tax Liabilities (Net)		
Deferred Tax Liability (net) as on 31 st March, 2015 is as follows:		
Opening Balance	668.63	504.89
Restatement of Opening Balance	668.63	504.89
Deferred Tax Liability on account of Timing difference on account of depreciation	282.58	163.96
Less: Deferred tax assets arising on account of Provision for Employee benefits and others	3.69	0.23
Net deferred tax liability	<u>947.52</u>	<u>668.62</u>
7. Long-Term Provisions		
Provision for Employee Benefits		
Provision for Leave Encashment	33.28	30.70
Provision for Sick Leave	11.84	9.07
Provision for Gratuity	30.18	19.93
Total	<u>75.30</u>	<u>59.70</u>
8. Trade payables		
Due to Micro and Small Enterprises	101.91	-
Due to Others	996.72	535.16
Total	<u>1,098.63</u>	<u>535.16</u>
9. Other current liabilities		
Current maturities of long-term debt	416.70	70.00
Interest accrued and due	5.08	6.61
Other liabilities		
Interest accrued but not due	-	-
Sundry creditors for capital items	1,202.34	538.45
TDS and other statutory liabilities	73.32	116.65
Other payables		
Retention Money, EMD, Deposits & Security Deposit PNG	887.92	384.40
Expense Payable	3.53	18.18
Others- PNG Customers Petty Balances	3.92	2.12
Total	<u>2,592.82</u>	<u>1,136.41</u>
10. Short-term provisions		
Provision for Income tax	4,845.59	
Less: Prepaid Taxes	<u>4,709.54</u>	<u>136.05</u>
Provision for Employee Benefits		
Provision for Leave Encashment	-	0.52
Provision for Sick Leave	-	0.15
Provision for Gratuity	-	-
Total	<u>136.05</u>	<u>0.67</u>



11. Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION/AMORTIZATION				NET BLOCK	
	As At 01.04.2014	Additions during the year	Sales/ Adjustm ents during the year	As At 31.03.2015	As At 01.04.2014	For the year	Prior Per year	As At 31.03.2015	As At 31.03.2014
(A) Tangible Assets									
Freehold land	1,881.94	-	-	1,881.94	-	-	-	-	1,881.94
Leasehold Land	57.32	-	-	57.32	7.52	0.94	-	8.46	49.80
Factory Buildings	679.35	-	-	679.35	83.76	21.36	0.33	105.44	595.59
Plant and Machinery	11,713.97	641.89	-	12,355.86	2,711.16	414.82	32.05	3,158.03	9,002.80
Furniture and Fixtures	47.67	0.47	-	48.14	8.98	3.72	6.26	18.97	38.69
Computers	24.32	1.32	-	25.64	17.37	0.58	3.46	21.41	6.95
Total (A)	14,404.57	643.68	-	15,048.25	2,828.79	441.42	42.10	3,312.31	11,575.77
(B) Intangible Assets									
Computer Software	28.57	0.23	-	28.80	27.00	1.11	-	28.11	1.57
Total (A)	28.57	0.23	-	28.80	27.00	1.11	-	28.11	1.57
GRAND TOTAL (A+B)	14,433.13	643.91	-	15,077.05	2,855.79	442.54	42.10	3,340.42	11,577.34
Previous Year	9,348.45	5,084.69	-	14,433.13	2,150.07	550.27	-	2,150.07	-



	As at 31st March, 2015	As at 31st March, 2014
12. Long-Term Loans And Advances (Unsecured, considered good)		
Security Deposits	34.50	30.66
Capital Advance	565.59	-
Total	600.09	30.66
13. Other non current assets		
Others		
Fixed Deposit with Banks as Margin Money (against guarantees)	-	42.42
Total	-	42.42
14. Inventories		
Raw Material		
Natural Gas	5.86	5.13
Finished Goods		
Compressed Natural Gas	3.75	3.04
Stores & Spares	171.92	233.04
Total	181.52	241.21
15. Trade Receivables (Unsecured Considered Good)		
Outstanding for a period exceeding six months from the date they are due for payment		
-Unsecured, Considered Good	87.65	45.94
	87.65	45.94
-Others	657.35	1,042.96
Total	745.00	1,088.90
16. Cash and Bank balances		
Cash and cash equivalents		
Cash balance on hand	22.25	20.30
Balances with banks	796.31	543.07
Other Bank balances		
Fixed deposits	4,083.08	718.72
Total	4,901.64	1,282.09
17. Short-term loans and advances (Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	28.61	44.72
Security Deposits	2.00	2.00
Prepaid Expenses	14.55	13.70
Income Tax Refundable	29.55	29.55
Deferred Cenvat Credit Recoverable	47.35	47.35
Cenvat Credit Recoverable	43.01	44.64
Prepaid Income Taxes(Net of Provision of tax of Rs 37.30 Lacs)		25.22
Total	165.06	207.18



		As at 31st March, 2015	As at 31st March, 2014
18. Other Current Assets			
(Unsecured, considered good)			
Unbilled Revenue		23.29	17.36
Interest Accrued		71.54	37.97
Other Current Assets		-	8.21
Total		<u>94.83</u>	<u>63.54</u>
19. Revenue from operations			
Sale of Compressed Natural Gas	18,284.07	18,180.04	
Less: Excise Duty	<u>2,299.34</u>	<u>2,291.17</u>	15,888.87
Sale of Piped Natural Gas		252.84	137.50
Total		<u>16,237.57</u>	<u>16,026.37</u>
20. Other Income			
Interest received from bank		163.57	134.86
Provisions no longer required written back		-	-
Excess Provision written back		8.19	8.20
Miscellaneous income		18.71	31.90
Total		<u>190.47</u>	<u>174.96</u>
21. Employee benefits expense			
Salaries and wages		252.10	214.74
Staff welfare		4.86	9.22
Contribution to Provident & Other Funds		13.98	13.76
Total		<u>270.93</u>	<u>237.72</u>
22. Finance costs			
Interest on term loans		61.92	102.08
Total		<u>61.92</u>	<u>102.08</u>
23. Other expenses			
Operating Expenses at CNG Stations		251.79	173.34
Fuel expenses		455.23	476.41
Compressor Operation and Maintenance Charges		365.44	234.37
Operation and Maintenance Dispensers		20.84	26.51
Rent		74.56	66.59
Hire Charges:			
-Equipment and LCV		231.96	244.39
Vehicle Hire and Running Expenses		33.93	36.72
Repairs & Maintenance			
-Plant and Machinery	59.69	54.47	
-Others	<u>14.80</u>	<u>39.77</u>	<u>94.24</u>



Auditors Remuneration				
as auditors	3.20		3.20	
out of pocket expenses	1.59	4.79	<u>3.38</u>	6.58
Office Expenses		86.29		105.49
Electricity Expenses		37.28		39.53
Printing and Stationery		17.36		14.14
Legal and Professional Expenses		9.87		13.56
Travelling Expenses		21.05		20.40
Bank Charges		4.32		13.51
Security Expenses		163.08		140.47
Prior Period Expense				30.11
Excise duty on differen in Closing and Opening Stock		0.09		0.15
Miscellaneous Expenses		79.99		72.46
Total		<u>1,932.37</u>		<u>1,808.98</u>



24. Contingent Liabilities & Commitments (to the extent not provided for):

i. Contingent Liabilities:

Sr. No.	Particulars	As at 31.03.2015 (Rs. in Lacs)	As at 31.03.2014 (Rs. in Lacs)
(a)	Claims against the Company not acknowledged as debts	49.81	37.81
(b)	Tax related matters*	200.05	244.58
(c)	Other Matters**	1800.00	1,800.00
	Total	2049.86	2,082.39

*Tax Related Matters

- A demand of Rs.20.86 Lacs which includes a penalty of Rs 10.43 Lacs had been raised for the year 2006-2007 for Cenvat Credit of Central Excise Agra, against which the company has filed an appeal with CESTAT and has obtained a stay order to dispense with the condition of pre- deposit of the amount of demand raised.
- A demand of Rs. 8.41 Lacs had been raised by U P Commercial Tax Department for the financial year 2005-06 against which company has filed appeal with Tribunal, Commercial Tax Lucknow.
- A demand of Rs. 38.12 Lacs had been raised by U P Commercial Tax Department for the financial year 2006-07 against which company has filed appeal in Tribunal, Commercial Tax Lucknow.
- 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
- In respect of Assessment Year 2009-10, Income Tax Department has disallowed certain expenses claimed by the company and has made a tax demand of Rs.23 Lacs. The case is pending with Income Tax Tribunal, Lucknow.
- 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 has filed an appeal against the aforesaid demand and the same is pending with Commissioner (Appeals) Income Tax, Lucknow.
- 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 rectification application with ACIT and is in the process of filing an appeal against the aforesaid demand with Commissioner (Appeals) Income Tax, Lucknow.

****Other Demands**

- a) 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.

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.

ii. Commitments:

Sl. No.	Particulars	As at 31.03.2015 (Rs. in Lacs)	As at 31.03.2014 (Rs. in Lacs)
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	3206.48	803.51
(b)	Uncalled Liability on shares and other investments partly paid	Nil	Nil
(c)	Other commitments	Nil	Nil
	Total	3206.48	803.51

25. Capital Work In Progress

Sl. No.	Particulars	As at 31.03.2015 (Rs. in Lacs)			As at 31.03.2014 (Rs. in Lacs)		
		Lucknow	Agra	Total	Lucknow	Agra	Total
(a)	Opening Balance	2411.10	706.84	3117.94	3417.15	2086.50	5503.65
(b)	Additions during year	647.20	171.36	818.56	(1006.05)	(1379.66)	(2385.71)
(c)	Closing Balance	3058.30	878.20	3936.50	2411.10	706.84	3117.94

- (d) Capital Work in Progress includes material at Stores, material at Site and cost of ongoing projects.

- (e) Assets and Capital Work in Progress are capitalized in the books of accounts as and when they are put to use or ready to use.

26. The Company has reassessed the useful life of its existing fixed assets in accordance with Schedule II of the Companies Act, 2013 and carrying amount of these assets as on 1st April 2014 shall be depreciated over the remaining useful life of the assets. Where the remaining useful life of the assets is Nil as on 1st April 2014, it has been charged off to the 'Profit & Loss Account' under the head Depreciation and Amortization expenses.

27. 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.



28. Earning per share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Net profit /(loss) attributable to Shareholders (Rs. in Lacs)	2677.06	2262.62
Weighted Average Number of equity shares	176,190	50,000
Basic Earnings per Share of Rs. 10/- each (in Rs.)	1519.41	4,525.24
Diluted Earnings per Share of Rs. 10/- each (in Rs.)	1519.41	4.91

29. 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 Accounting Standard (AS)-17 on "Segment Reporting" as issued by the Companies (Accounting Standards) Rules, 2006.

30. In accordance with the Accounting Standard (AS-28) on Impairment of Assets, the company has assessed whether any indications (listed in paragraphs 8 to 10 of the Standard) 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.

31. Employee Benefits:

Sr. No.	Particulars	Gratuity (Funded) (Rs. in lacs) (31st March)		Leave Encashment (Non Funded) (Rs. in lacs) (31st March)		Sick Leave Encashment (Non Funded) (Rs. in lacs) (31st March)	
		2015	2014	2015	2014	2015	2014
1.	Reconciliation of opening and closing balance of the present value of defined benefit obligations (PVO):						
	PVO at the Beginning of the year	31.28	27.26	31.22	41.54	9.22	8.61
	Current Service Cost	5.87	6.71	4.54	6.45	1.61	1.91
	Interest Cost	2.81	2.71	2.81	3.74	0.83	0.78
	Actuarial (gain)/ loss	4.77	(5.41)	6.57	(8.30)	0.19	(2.08)
	Benefits paid	Nil	Nil	(12.43)	(12.20)	Nil	Nil
	Past service cost						
	PVO at the end of the year	44.74	31.27	32.71	31.22	11.84	9.22
2.	Fair Value of Plan Assets						
	Fair Value of Plan assets at the	11.35	7.39	Nil	Nil	Nil	Nil

	beginning of the period						
	Actual return on plan assets	1.20	1.17	Nil	Nil	Nil	Nil
	Contributions	2.02	2.79	Nil	Nil	Nil	Nil
	Benefits Paid	Nil	Nil	Nil	Nil	Nil	Nil
	Fair Value of Plan assets at the end of the period	14.56	11.35	Nil	Nil	Nil	Nil
3.	Amount recognized in the Profit and Loss account:						
	Current Service Cost	5.87	6.71	4.54	6.45	1.61	1.91
	Interest cost	2.84	2.71	2.81	3.74	0.83	0.78
	Expected Return on Plan Asset	(0.99)	(1.16)	Nil	Nil	Nil	Nil
	Actuarial (gain) / losses	4.57	(5.41)	6.57	(8.30)	0.18	(2.08)
	Net Cost	12.27	2.85	13.91	1.89	2.62	0.61
4.	Amount recognized in the Balance Sheet:						
	Present Value of obligation at the end of the period	44.74	31.27	32.71	31.22	11.84	9.22
	Fair Value of Plan Assets	14.57	11.35	Nil	Nil	Nil	Nil
	Funded Status	(30.18)	(19.92)	Nil	Nil	Nil	Nil
	Net Liability recognized in the Balance Sheet	30.18	19.92	32.71	31.22	11.84	9.22
5.	Assumptions used in accounting for the benefit plan:						
	Discount Rate (%)	9.00%	9.00%	9.00%	9.00%	8.25%	8.25%
	Salary escalation rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

32. Related Party Transactions

Disclosure as required by Accounting Standard (AS-18) on "Related Party Disclosures" issued under Companies (Accounting Standard) Rules, 2006.

List of related parties as on 31.03.2015:

(a) Promoter venturer:

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

(b) Key management personnels (KMPs):

- i. Mr. M. Ravindran, Chairman.
- ii. Mr R Chadha, Managing Director.



- iii. Mr. G K Satish, Director
- iv. Mr. B A Reddy, Director Commercial

Transactions with related parties during the year

(Rs. In Lacs)

Name of Related Party	Nature of Relation-ship	Nature of Transaction	Value of Transaction during the year	Outstanding Balance at the Year end March 31, 2015	Value of Transaction during the previous year	Outstanding Balance at the Year end March 31, 2014
GAIL (India) Limited	Enterprise having Significant Influence.	Purchase of Natural Gas	9431.72	423.48	7371.55	322.35 Cr
		Remuneration (Secondment Expenses)	43.91	Nil	45.50	Nil
		Other Expenditure / Payments	Nil	Nil	2.51	Nil
		Security deposits	Nil	2.00 Dr	Nil	2.00 Dr
GAIL Gas Limited	Subsidiary of Enterprise having Significant Influence	Purchase of Natural Gas	1603.99	6.47	3082.80	5.91Cr
Indian Oil Corporation Limited	Enterprise having Significant Influence	Purchase of Natural Gas	Nil	Nil	Nil	Nil
		Sale of CNG	8752.58	496.05	7170.86	363.61Dr
		Remuneration (Secondment Expenses)	39.07	Nil	24.16	Nil
Key Management Personnel						
Shri Raman Chadha	Managing Director (w.e.f. 13.12.2014)	Remuneration (Secondment Expenses)	11.43	N.A	Nil	N.A
Shri SP Sharma	Managing Director	Remuneration (Secondment	32.58	N.A	44.01	N.A

	(upto 12.12.2014)	Expenses)				
Shri CD Joshi	Managing Director (Upto 18.04. 2013)	Remuneration (Secondment Expenses)	N.A	N.A	1.49	N.A
Shri BA Reddy	Director (Comm. ercial)	Remuneration (Secondment Expenses)	11.80	N.A		
Shri Aseem Kashyap	Director (Comm. ercial)	Remuneration (Secondment Expenses)	27.27	N.A	Nil	N.A
Shri Pankaj Mathur	Director (Comm. ercial)	Remuneration (Secondment Expenses)	N.A	N.A	24.16	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.

33. 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	31st March, 2015 (Rs. In Lacs)	Percentage	31st March, 2014 (Rs. In Lacs)	Percentage
Raw Material				
Natural Gas	9607.67	100%	9902.60	100%
Stores & Spares				
Indigenous	14.74	100%	107.75	100%
Imported	-	-	-	-
Total	14.74	100%	107.75	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)

34. Registry of title deeds in the name of the company for the land at CNG station, Gomtinagar, Lucknow is pending.
35. The company's vendor, GAIL India Limited had raised a claim of Rs. 145.98 lacs during the financial year 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 customer, Indian Oil Corporation Limited has deducted Rs 6.21 Lacs on a unilateral basis out of its dues to the company on account of sale of compressed natural gas towards electricity charges for the financial year 2012-13 for Vyom online station at Agra. The said amount is disputed by the company and has not been adjusted in the books of account.
37. During the year Company has not incurred any expenses toward Corporate Social Responsibility activities as required under Section 135 of the Companies Act 2013. The company is in the process of forming the CSR committee.
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, 2015	Year ended March 31, 2014
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.

For and on behalf of Board

As per our report of even date
For R. M. Lall & Co.
FRN. No. 000932C
Chartered Accountants

Rajeev Guglani
Company Secretary

S K Singh
Chief Manager (Finance)

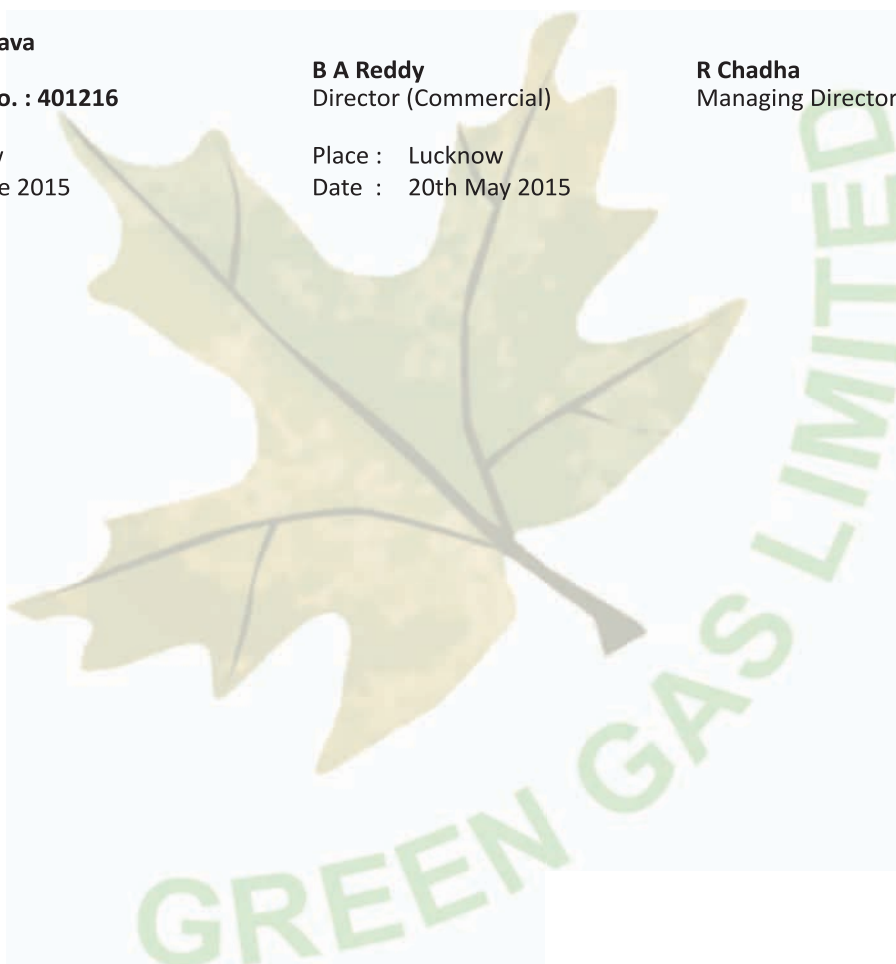
Vikas C. Srivastava
Partner
Membership No. : 401216

B A Reddy
Director (Commercial)

R Chadha
Managing Director

Place : Lucknow
Date : 22 June 2015

Place : Lucknow
Date : 20th May 2015



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Green Gas Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility 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 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 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 financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

No interest provision has been made in the books of accounts on the amount overdue from UPSRTC towards sale of CNG since 1st April 2010 and from Lucknow City Transport Services Limited (LCTSL) since 1st April 2012 as stipulated in the respective sale agreements.

For want of complete information, the cumulative impact of the above para and in the annexure to this report is not ascertained.

Emphasis of Matter

We draw attention to Note No. 35 stating that claim amounting to Rs. 946.47 lac 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 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:

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The provisions of the Company Act 2013 have not been complied with respect to the following-
 - a) No appointment of Independent Directors has been made as required by section 149(6) and section 150 of the Act. The Company is in the process of identifying eligible persons who can hold the office as independent directors.
 - b) No Audit Committee has been constituted by the Board of Directors as required by section 177 of the Act.
 - c) No Nomination and Remuneration Committee has been constituted by the Board of Directors as required by section 178 of the Act.
3. The CAG of India has issued directions/sub directions under section 143(5) of the Companies Act 2013, the compliance of which are set out below -



- a) The Company has not been selected for disinvestment.
- b) There are no cases of waiver/write off of debts/loans/interest etc.
- c) Proper records have not been maintained for inventories lying with third parties. No assets have been received as gift from Govt. or other authorities.
- d) There are no pending legal/arbitration cases as on year end.

4. 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 and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts and returns;
- e. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f. in our opinion, there is no adverse effect on the functioning of the company due to our observations/qualifications on financial transactions of the company.
- g. On the basis of written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the director is disqualified on 31st March 2015 from being appointed as a director on the terms of section 164 (2) of the Act;
- h. In our opinion there are no qualifications, reservations or adverse remark relating to maintenance of accounts and other matters connected therewith.
- i. 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 24(i) 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: 22 June, 2015
FRN No. 000932C

For R. M. LALL & CO.
Chartered Accountants

(Vikas C Srivastava)
Partner, M. No. 401216

**Annexure 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, 2015**

On the basis of such tests as we considered appropriate to apply, the information and explanation 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 as required by the Companies Act, 2013. However, situations (location) of fixed assets have not been stated in the records so maintained.
	(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.
(ii)	(a)	The inventory of the company has been physically verified by the management only once during the year. We are of the opinion that physical verification of inventory should be conducted at reasonable intervals so as to exercise better control.
	(b)	As per the size of the company and nature of its business, adequate procedure of physical verification of inventory is being followed by the management.
	(c)	The company is maintaining proper records of inventory. No material difference has been noticed as such on physical verification.
(iii)		As per the information and explanation given to us, the company has not granted any loans secured or unsecured to companies, firms of other parties covered in the register maintained under section 189 of the Companies Act, 2013.
(iv)		<p>In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of company and the nature of its business for the purchase of inventories, fixed assets and for the sale of goods & services.</p> <p>However, we noticed that the internal control with respect to the following needs to be strengthened</p> <p>(a) Tally Accounting Software installed does not have hierarchical administrative controls. We came across numerous instances where vouchers had either been inserted or deleted at earlier dates in the system. Voucher entries can be easily modified, edited and deleted at any point of time. There is no audit trail to track for changes in the system.</p> <p>(b) The Company follows the policy of giving Imprest to officers of different departments to meet out office and administrative expenses. On review of the imprest payments and their subsequent adjustments, it was noticed that payments were made to the professional firms on the basis of their bills for technical & professional services rendered to the Company. Such payments were made through issue of cheques of the personal bank account of the officer. Also no receipts are being taken from the payees and placed on record.</p>
(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 2014-15 prescribed under section 148 (1) of the Companies Act 2013, have not been maintained by the company.
(vii)	(a)	According to the information and explanation given to us and on the basis of our examination of



		records, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service tax, Custom duty, Excise duty, Cess, etc with appropriate authorities.				
	(b)	As informed to us, there are following dues that have not been deposited on account of dispute:-				
		S No.	Name of the Statute	Assessment Year	Amount (Rs. in lakhs)	Forum where dispute is pending
		1	Central Excise Act, 1944	2007-08	20.86	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)
		2	UP VAT Act, 2008	2006-07	8.41	Tribunal Commercial Tax, Lucknow
		3	UP VAT Act, 2008	2007-08	38.12	Tribunal Commercial Tax, Lucknow
		4	UP VAT Act, 2008	2011-12	6.78	Additional Commissioner (Appeals) Commercial Tax, Lucknow
		5	Income Tax Act, 1961	2009-10	23.00	Commissioner (Appeals), Income Tax, Lucknow
		6	Income Tax Act, 1961	2011-12	94.36	Commissioner (Appeals), Income Tax, Lucknow
		7	Income Tax Act, 1961	2012-13	8.52	Commissioner (Appeals), Income Tax, Lucknow
		8	Building and Other Construction Workers Welfare Cess Act 1996	-	1,800.00	Office of the Regional Labour Commissioner (Central), Kanpur
(viii)		The Company does not have any accumulated losses at the end of the financial year. Further, in our opinion, the company has not incurred any cash losses during the current financial year as well as in the immediately preceding financial year.				
(ix)		The company has not defaulted in repayment of any interest and installment due on loans from any financial institution, bank or debenture holders.				
(x)		In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.				
(xi)		As per the explanations given by the management, the loan funds were applied for the purpose for which the loans were obtained.				
(xii)		Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.				

Place: Lucknow
Date: 22 June, 2015
FRN No. 000932C

For R. M. LALL & CO.
Chartered Accountants
(Vikas C Srivastava)
Partner, M. No. 401216

**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 2015**

The preparation of financial statements of Green Gas Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with 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 22 June 2015.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Green Gas Limited for the year ended 31 March 2015 and as such have no comments to make under section 143(6) (b) of the Act.

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

**(Suparna Deb)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board- II
New Delhi**

**Place: New Delhi
Date: 17.08.2015**



GREEN GAS LIMITED
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