



GREEN GAS LIMITED

Registered Office:

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

CIN: U23201UP2005PLC030834 Website: gglonline.net

E-mail: r.guglani@gglonline.net

Phone: 0522-4088530, Fax: 0522- 4088529

NOTICE is hereby given that the 9th Annual General Meeting of the Members of GREEN GAS LIMITED will be held at the registered office of the Company, on Tuesday, the 30th day of September 2014 at 10:00 A.M to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the audited financial Statement for the year ended 31st March, 2014 and the Balance Sheet as on that date along with Schedules and Annexure thereto and the reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri S.P.Sharma (DIN: 05248308), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of Section 139 (5) & Section 142(1) of the Companies Act, 2013 and to pass the following resolution, with or without modification(s), as Ordinary Resolution :

“RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company, appointed by Comptroller and Auditor General of India for the FY 2014-15, as may be deemed fit by the Board.”

SPECIAL BUSINESS:-

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

"RESOLVED THAT Shri Aseem Kumar Kashyap (DIN: 06901496) who was appointed as an Additional Director of the Company by the Board of Directors under Article 119 of the Articles of Association of the Company with effect from May 28th, 2014 (Nominee of Indian Oil Corporation Limited) and who holds office under the said Article and pursuant to Section 161 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director in terms of provisions of section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Article 120, 121 and 140 of the Articles of Association of the Company and subject to the approval of the shareholders of the Company & Central Government, if required, Shri Aseem Kumar Kashyap (Nominee of IOCL) be and is hereby appointed as Director (Commercial) of the Company in place of Shri Pankaj Mathur for a term of three year with effect from 28.05.14 as per the terms and condition of the deputation policy of IOCL at a remuneration not exceeding

Rs. 40 Lakh Per annum inclusive of perks, benefits, allowances etc.

RESOLVED FURTHER THAT in the event of absence or inadequacy of the profit in any financial year during his tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to compliance of provision Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (herein after referred to as "the Board", which term shall be deemed to include any Committee which the Board may constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to alter/vary the aforesaid terms and conditions so as not to exceed the limits specified in Schedule V read with Sections 196, 197, and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, during the tenure of his appointment, the Board of Directors be and is hereby authorized to vary or increase the remuneration, payable to him for such remaining period of his tenure, including salary, perquisites, allowances, etc with such prescribed limits or ceiling in that behalf as laid down in Schedule V and the agreement entered into, if any, between the Company and Shri Assem Kumar Kashyap shall be suitably amended to give effect to such modification, relaxation or variation without any further reference to or approval by the Company in General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Managing Director & Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary or desirable in such manner as it may deem fit"

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

"RESOLVED THAT Shri Ravindran Mathilakath (DIN: 02309551) who was appointed as an Additional Director of the Company by the Board of Directors under Article 119 of the Articles of Association of the Company with effect from June 27th ,2014 (Nominee of GAIL (India) Limited) and who holds office under the said Article and pursuant to Section 161 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director in terms of provisions of section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation".

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

"RESOLVED THAT Shri V.S.Okhde (DIN: 05123549) who was appointed as an Additional Director of the Company by the Board of Directors under Article 119 of the Articles of Association of the Company with effect August 25th ,2014 (Nominee of IOCL) and who holds office under the said Article and pursuant to Section 161 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director in terms of provisions of section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation".

7. To ratify the remuneration of Cost Auditors of the Company for the financial years 2014-15 in terms of the provisions of section 148 (3) of the Companies Act, 2013 and to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 23600/- plus service tax as applicable; payable to Mr. K. L. Prabhakar, who has been appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be and is hereby ratified.

8. To consider, and if it thought fit, to pass with or without any modification(s) the following resolution as Special Resolution

“**RESOLVED THAT** in supersession of the Ordinary Resolution passed at the First annual general meeting of the shareholders of the Company held on 26th Dec 2006 and pursuant to Section 180 (1) (c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), if any, and the consent of the shareholder of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow from time to time any sum or sums of moneys which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in ordinary course of business) shall not exceed in the aggregate at any one time, Rs. 200 Crores (Rupees Two Hundred Crores Only) irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”

RESOLVED FURTHER that for the purpose of giving effect to this resolution the Managing Directors in consultation with Director Commercial and Chief Manager (Finance) be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard”.

9. To consider, and if it thought fit, to pass with or without any modification(s) the following resolution as Special Resolution

“**RESOLVED THAT** consent of the shareholder of the company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 for hypothecating, charging and/ or creation of any security interest by the Board of Directors of the Company, of all the immovable and movable properties of the Company where so ever situate, present and future, and/or conferring power, to enter upon and to take possession of assets of the Company in certain events, to or in favour of various banks/financial institutions (hereinafter referred to as the “**Lenders**”) to secure the financial assistance provided/to be provided by them to the Company together with interest thereon at the stipulated rates, compound interest, additional interest, default interest, liquidated damages, upfront fee, costs, charges, expenses and other monies payable by the Company to the Lenders under the loan agreement/ letters of sanction/ in respect of the such financial assistance, provided that the principal amount of such financial assistance shall not exceed the limits specified under the shareholders resolution under section 180 (1)(c) of the Companies Act, 2013.”

RESOLVED FURTHER THAT the Managing Director in consultation with Director (Commercial) and Chief (Manager) be and is hereby authorised to finalise with the Lenders the documents for creating aforesaid charge and to do all such acts deeds and things as may be necessary for giving effect to the above resolution.”

RESOLVED FURTHER THAT the charge created/ to be created and/or all agreements/ documents executed/ to be executed and all acts done by and with the authority of the Board of Directors are hereby confirmed and ratified.”

By Order of the Board
For GREEN GAS LIMITED

Place: Lucknow
Date: 08.09.2014

(Rajeev Guglani)
Company Secretary

NOTES:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at a general meeting is annexed hereto,
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
3. Only Registered Members of the Company or any proxy appointed by such Registered Member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
4. Voting on Resolution: If any resolution at the meeting is put to vote on a poll each equity shareholder shall be entitled to one vote for every equity share held.
5. Members/ Proxies are requested to bring the attendance slips duly filled in to the Meeting.
6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days between Monday and Friday of every week, up to and including the date of the Annual General Meeting of the Company.

Statement of Material Facts pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at annual general meeting to be held on September 30th 2014

Item No. 4

Appointment of Shri Aseem Kumar Kashyap

As per Article No 121 of Article of Association of Green Gas Limited, GAIL shall in consultation with IOCL nominate one of its employees as the Managing Director of the company and IOCL shall, in consultation with GAIL, nominate one of its employees as the Director (Commercial) of the Company, both of whom shall serve on a full time basis.

Green Gas Limited received an office Order Ref: No. P/1161/19960/69565 dated 12.05.14 whereby Shri Aseem Kumar Kashyap, Chief Manager, Noida AO has been nominated as Director (Commercial) in place of Shri Pankaj Mathur, Director (Commercial) who has been transferred to New Delhi, DGM (Gas), BD

Pursuant to Section 161 of the Companies Act, 2013, read with Article 119 of the Articles of Association of the Company, the Board of Green Gas Limited appointed Shri Aseem Kumar Kashyap as an additional Director w.e.f 28th May 2014 to hold office till the date of ensuing Annual General Meeting who shall be eligible for re-appointment.

The Board recommends that Shri Aseem Kumar Kashyap may be appointed as Director, liable to retire by rotation.

The company has received a notice along with requisite fee from the member under section 160 of the Companies act 2013, proposing the candidature of Shri Aseem Kumar Kashyap as Director of the Company.

Your Directors recommend the resolution for approval of the members.

Shri Aseem Kumar Kashyap is interested in this resolution to the extent of his appointment as a Director. No other director of the company is concerned/ interested in the proposed resolution.

Item No. 5

Appointment of Shri M. Ravindran

As per Article No 121 of Article of Association of Green Gas Limited "So long as holding of GAIL and IOCL is equal GAIL and IOCL shall have equal representation on the board.

A whole time director, GAIL or any whole time director, IOCL shall be the Chairman of the Board of the Company, on a rotational basis for a term of two (2) years. In the absence of the designated Chairman, the other representative Director of GAIL/ Indian Oil as the case may be, shall be the Chairman of the Board of the JVC.

GGL received a letter dated: 27.06.2014 from Shri N.K.Nagpal, Company Secretary, GAIL (India) Limited nominating Shri M.Ravindran as Director, GGL in place of Shri Rajesh Vedvyas, Director, GGL/ ED-Marketing, GAIL.

Pursuant to Section 161 of the Companies Act, 2013 read with Article 119 of the Articles of Association of the Company, the Board of Green Gas Limited appointed Shri M.Ravindran as an additional Director w.e.f 27th June 2014 to hold office till the date of ensuing Annual General Meeting who shall be eligible for re-appointment. The Board recommends that Shri M.Ravindran may be appointed as Director, liable to retire by rotation.

The company has received a notice along with requisite fee from the member under section 160 of the Companies act 2013, proposing the candidature of Shri M.Ravindran as Director of the Company.

Your Directors recommend the resolution for approval of the members.

Shri M.Ravindran is interested in this resolution to the extent of his appointment as a Director. No other director of the company is concerned/ interested in the proposed resolution.

Item No. 6

Appointment of Shri V.S. Okdhe

As per Article No 121 of Article of Association of Green Gas Limited "So long as holding of GAIL and IOCL is equal GAIL and IOCL shall have equal representation on the board.

A whole time director, GAIL or any whole time director, IOCL shall be the Chairman of the Board of the Company, on a rotational basis for a term of two (2) years. In the absence of the designated Chairman, the other representative Director of GAIL/ Indian Oil as the case may be, shall be the Chairman of the Board of the JVC.

GGL received a letter dated: 25.08.2014 from Shri Deepak Dhawan, ED, Corporate Affairs & Law nominating Shri V.S.Okdhhe as Director, GGL in place of Shri A.M.K.Sinha, Ex. Chairman, GGL/ Ex. Director (P&PD), and also nominated as chairman on the Board of GGL in line with Joint venture agreement entered into between Indian Oil and GAIL.

Pursuant to Section 161 of the Companies Act, 2013 read with Article 119 of the Articles of Association of the Company, the Board of Green Gas Limited appointed Shri V.S.Okdhhe as an additional Director w.e.f 25th Aug. 2014 to hold office till the date of ensuing Annual General Meeting who shall be eligible for re-appointment. The Board recommends that Shri V.S.Okdhhe may be appointed as Director, liable to retire by rotation.

The company has received a notice along with requisite fee from the member under section 160 of the Companies act 2013 , proposing the candidature of Shri V.S.Okdhhe as Director of the Company.

Your Directors recommend the resolution for approval of the members.

Shri V.S.Okdhe is interested in this resolution to the extent of his appointment as a Director. No other director of the company is concerned/ interested in the proposed resolution.

Item No. 7

Ratification of Remuneration of Cost Auditor for the financial year 2014-15

For the financial year 2014-15 Mr. K L Prabhakar, Practicing Cost Accountant, Lucknow has been appointed as Cost Auditor of the Company. Board of Directors of the Company in its 41st meeting held on 24th July 2014 has confirmed the resolution passed by circulation on 30th June 2014 related to appointment of Mr. K L Prabhakar as Cost Auditor of the Company for FY 2014-15

As per rule 14 (b) of The Companies (Audit and Auditors) Rules, 2014 the remuneration of such cost auditor shall be ratified by the shareholders subsequently in the ensuing annual general Meeting. The matter is being placed before ensuing Annual general meeting for ratification of remuneration of Cost Auditor.

Item No. 8 & 9

Borrowing power & Creation of charge

Section 180(1)(c) of the Companies Act, 2013 provides that the Board of Directors of the Company shall only with the consent of the members by a Special Resolution, borrow money where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate to its paid-up share capital and free reserves, apart from temporary course of business.

Further, as per the provisions of Section 180(1)(a) of the Companies Act, 2013, the mortgage or charge on all or any of the moveable and/or immoveable properties of the Company may be deemed as disposal of the whole or substantially the whole of the undertaking of the Company, hence requires the approval from the members of the Company by way of Special Resolution.

Accordingly, approval of members is being sought by Special Resolution for authorising the Board to borrow money in excess of the aggregate of the paid up share capital and free reserves up to Rs. 200 Crore and creates charge on the moveable or immovable properties of the Company.

The members may note that the provisions corresponding to Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 (earlier in force) i.e. Section 180(1) (c) and Section 180(1)(a) of Companies Act, 2013 were notified on 12th September 2013 and based on the clarification thereof issued by Government of India, Ministry of Corporate Affairs vide General Circular no. 04/2014 dated 25th March, 2014, the Resolution(s) passed under Section 293(1)(a) and 293(1)(d) of the Companies Act, 1956 prior to 12th September, 2013 with reference to borrowings (subject to limits prescribed) and/ or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013, for a period of one year from the date of notification of Section 180 of the Companies Act, 2013.

Accordingly the one year period ends on September 11, 2014 by when a special resolution is required to pass at ensuing AGM of the Company.

The Board commends the Special Resolution set out at Item No. 8 & 9 of the Notice for approval by the shareholders.

None of the Directors of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 8 & 9 of the Notice.

By the Order of Board
For Green Gas Limited

Place: Lucknow
Date: 08.09.2014

(Rajeev Guglani)
Company Secretary

A BRIEF RESUME OF THE DIRECTORS, PROPOSED FOR APPOINTMENT / RE-APPOINTMENT IS GIVEN BELOW

Item No. 4

Shri Aseem Kumar Kashyap

Shri Aseem Kumar Kashyap has completed his graduation in Civil Engg. from DCE, Delhi University in 1985 and Joined IOCL in Mktg. Divn. in March 1986. Since then i.e. in last 28+ years, have worked in various deptts. like LPG-Ops, LPG Sales, LPG-S&D and General Sales depts. in different capacity including Chief Plant Manager, Delhi BP; Manager(LPG-Ops) Delhi State Office, Sr. Area Manager, Bareilly, Chief Area Manager, Noida, Sr.LPG-Sales Manager, Delhi State Office, Regional LPG-S&D Head, Deputy Manager(Sales) under Chandigarh DO.

Item No. 5

Shri M. Ravindran

Mr. M. Ravindran is a Mechanical Engineer from NIT, Kurukshetra. He has over 33 years of rich and diverse experience in the fertilizer, oil and gas sector, particularly Petrochemicals, Natural Gas Pipelines& City Gas Distribution. He assumed the charge of Director (HR), GAIL on 01.06.2013.

Mr. Ravindran joined GAIL in the year 1990 and since then has been a part of a number of important GAIL projects. One of his major contributions was in the execution of GAIL's first 400 KTA Petrochemical Complex Project at Pata, Distt. Auraiya, U.P and was also In-charge of the Operation & Maintenance of GAIL's HVJ & associated Pipelines& Gas Processing Unit at Vijaipur,M.P.

Mr. Ravindran has the distinction of being the first CEO of GAIL's wholly owned subsidiary,GAIL Gas Limited from2008 to 2011 during which period, he was instrumental in formulating the

company's business policies, particularly those in the domain of Human Resources. It was during his tenure as CEO that GAIL Gas Limited participated in the CGD first round of bidding and won the licenses for the cities of Sonapat, Kota, Dewas & Meerut under the regulatory regime.

Prior to his appointment as Director (HR), GAIL Mr. Ravindran held the position of Managing Director of Indraprastha Gas Ltd. (IGL), a Joint Venture of GAIL& BPCL and the largest sole supplier of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) in National Capital Region of Delhi & NCR.

Among the many important initiatives undertaken by him at IGL, was the development of the Performance Management System and formalization of various HR Policies crucial to organizational growth.

Heading the HR function of GAIL, the Youngest Maharatna PSE, Shri Ravindran's immediate priorities are to enhance the level of employee engagement and organizational performance, to create a culture of meritocracy & empowerment. He has been instrumental in implementation of new Performance Management System in GAIL and Talent Management Initiatives.

Shri Ravindran holds the Directorship of the following other Companies:

Name of Company	Position
GAIL (India) Limited	Whole Time Director
ONGC Petro additions Limited	Director
Bhagyanagar Gas Limited	Chairman
Mahanagar Gas Limited	Director

Item No. 6

Shri V.S. okhde

Mr. V.S. Okhde is Director (Pipelines) of Indian Oil Corporation Ltd. since February 2012. He is in charge of operations of pipeline network of over 11,200 km, spread across the length and breadth of India, and associated facilities like offshore crude oil unloading

terminals, storage tank farms, pumping & delivery installations etc. In addition, he is also in charge of implementing new pipeline projects of Indian Oil.

Mr. Okhde is a Mechanical Engineering graduate of 1976 batch from Regional Engineering College, Bhopal. He also holds an Executive MBA degree from Management Development Institute (MDI), Gurgaon. Mr. Okhde joined Indian Oil in 1977 and has worked in Pipelines Division for about 29 years and in Corporate Office for about 8 years.

In Pipelines Division, Mr. Okhde has worked in various disciplines like Operations, Maintenance, Engineering Services and Projects, in various field units across the country and also at Regional Offices and Head Office. He has hands-on experience on various facets of hydrocarbon pipeline systems. During his 29 years in Pipelines Division, he has held the position of in-Charge at several locations, including that of Western Region for a period of 3 years.

Mr. Okhde also has experience of 8 years in Corporate Office, including 4 years in Corporate Planning (out of which, 1 year as Executive Director) and 4 years in Exploration & Production (as Executive Director). These assignments, coupled with that of being on the Board of Indian Oil since February 2012, have enriched the experience of Mr. Okhde further to encompass a wide spectrum of Corporation's activities.

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U23201UP2005PLC030834
Name of the company : GREEN GAS LIMITED
Registered office : Fortuna Tower, 10, Rana Pratap Marg,
2nd Floor, Lucknow

Name of the member (s):
Registered address :
E-mail Id :
Folio No/ Client
Id: DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

- 1) of having e-mail id or failing him*
- 2) of having e-mail id or failing him*
- 3) of having e-mail id*

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 23th day of August, 2014 at 11.30 a.m. at registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

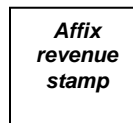
<i>No.</i>	<i>Matter of resolution</i>	<i>VOTE</i>	
		<i>For</i>	<i>Against</i>
<i>1</i>	<i>To receive, consider and adopt the audited financial statements of the Company for the year ended as on the date together with the Directors' Report and the Auditors Report thereon</i>		

2	<i>To appoint a Director in place of Shri S.P.Sharma who retires by rotation and being eligible, offers herself for reappointment.</i>		
3	<i>To appoint auditors and to fix their remuneration.</i>		
4	<i>To confirm as Director the appointment of Shri Aseem Kumar Kashyap who was inducted as Additional Director on 28.05.2014.</i>		
5	<i>To confirm as Director the appointment of Shri Ravindran Mathilakath who was inducted as Additional Director on 27.06.2014.</i>		
6.	<i>To confirm as Director the appointment of Shri V.S.Okhde who was inducted as Additional Director on 25.08.2014</i>		
7.	<i>To ratify the remuneration of cost Auditor</i>		
8.	<i>To delegate borrowing powers to Board of Directors</i>		
9.	<i>To delegate powers to Board of Directors to mortgage and / or charge any of its movable and / or immovable properties of the company</i>		
10.	<i>Issue of shares on preferential basis</i>		

Signed this... .. day of... .. 20....

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

DIRECTORS' REPORT for the year ended March 31, 2014.

To

The Members,

Your Directors have pleasure in presenting the 9th Annual Report of your company together with the Audited Statement of accounts for the Financial Year ended 31st March 2014.

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 2013-2014. This was the 8th year of operation and the Company's sales turnover has increased by 29% compared to the previous year.

1. Performance of the Company (A financial review)

GGL's summarized financial performance for the year ended 31st March 2014 is given in Table 1.

Table 1: GGLs' Abridged Profit & Loss Statement

(Rs. in crore)

S.No	Particulars	2012-13	2013-14
1	Sales and Operating Income	141.99	183.17
2	Excise Duty	17.76	22.91
3	Net Sales (1 - 2)	124.23	160.26
4	Other Income	1.73	1.75
5	Total Revenue (3 + 4)	125.96	162.01
6	Raw Material	71.42	99.01
7	Operating & Other Expenses	17.13	20.46
8	Total Expenses	88.55	119.47
9	PBDIT (5-8)	37.41	42.54
10	Depreciation and Amortization	5.50	7.05
11	Interest and finance charges	0.69	1.02
12	Prior Period Expenses/Exceptional Item	0.00	0.00
13	PBT (9-10-11-12)	31.22	34.47

14	Income Tax & FBT	9.49	10.21
15	Deferred Tax	0.91	1.63
16	PAT (12-13-14)	20.82	22.63
17	Profit/(loss) brought forward from previous year	57.26	78.08
18	Profit/ (loss) available for appropriation	78.08	100.71
19	Balance carried to Balance Sheet	78.08	100.71
20.	Return on Capital employed	24%	22%
21.	Operating Margins	30.12%	26.55%

Note:

1. Operating margin has declined on account of use of gas of higher cost. Company used more spot RLNG for CNG & PNG during the year.
2. ROCE has decreased 2% approx. compared to that of previous year due to increase in capital employed.

Performance Highlights (LUCKNOW)

- Sales volume
 - Domestic annual Sales volume increased from 57250.961 SCM to 102479.131 SCM reflecting 78.99% growth.
 - The CNG sale has increased to 10.89% compared to last financial year.
 - 1 new 5 star hotel registration has been done in FY 2013-14
 - Annual Sale of Commercial PNG increased from 418.163 SCM to 1664.936 SCM.
 - Annual Sale of Industrial PNG increased from 133552.87 SCM to 161201.445 SCM.

- **Infrastructure details**

Salient features of infrastructure details are as follows:

1. Two pieces of land have been purchased from Awas Vikas Parishad at Vrindawan Yojna, Raibareilly Road for setting up of CNG Mother Stations.
2. GGL has connected 381 PNG Domestic customers in FY 2013-14 against the target of 1200 domestic connections as per approved business plan. The unwillingness of customers to switch over to PNG and non-availability of pipeline laying permissions from the local authorities are the prime reasons for the low penetration of PNG.

- **CNG Infrastructure**

1. Two Daughter/Daughter Booster stations have been upgraded to Online CNG station by connecting natural gas pipeline and installation of other required equipment. Non-availability of land plots and delay in availability of permissions from the local/statutory authorities have affected the projects.

- **Pipeline Network**

1. MDPE Network

Total 17 km (approx.) of MDPE pipeline network has been laid and commissioned in FY 2013-14.

2. Steel Pipeline:

Total 68.58 km of Steel pipeline has been laid till date out of which 2.35 Km of Steel Pipeline has been laid in the FY 2013-14.

- **Domestic PNG Connection**

1. Total 990 no. of connections were ready for Conversion (RFC), out of which 387 connections of domestic customers have been charged with PNG.
2. MOUs were signed with private builders such as M/s, Arif Industries (P) Ltd. for Metro City and Awadh Apartments for providing bulk connections at 726 flats
3. MOUs were signed with U.P. Estate Department for providing bulk connections at 379 flats at Gautam Palli area.

- **Industrial & Commercial customers**

MoP&NG has restricted to sell APM & PMT gases in industrial & commercial segments. Therefore, GGL procures other gases like RLNG, MDP for industrial and commercial gas supply. Due to high cost of natural gas, acceptance of present prices in commercial and industrial sectors is low, which is affecting the progress in these sectors. Only three Industrial consumers could be connected at Lucknow till date. GGL is preparing pricing policy for all segments with an emphasis on Commercial & Industrial segments. PNG penetration in Commercial & Industrial segment is still in initial phase. Therefore, prices for Commercial & Industrial customers is planned to be fixed in such a manner that it attracts these customers to switch over from their existing fuel to PNG. Most of the renowned hotels are in Vibhuti Khand area of Lucknow. GGL is in the process to supply natural gas to commercial customers in that area. GGL has recently registered one more upcoming 5 star hotel in Vibhuti Khand area.

Performance Highlights (AGRA)

- **Sales volume**

- Domestic Sales increased from 187228.571 SCM to 294578.823 SCM reflecting 57.33% growths in FY 2013-14.

- The CNG sale increased by 4.89% compared to last financial year.
- 6 new commercial connections have been commissioned in FY 2013-14 against the target of 10 commercial connections as per approved business plan.
- Annual Commercial PNG sales increased from 240.25 SCM to 24051.36 SCM.
- **Infrastructure details**

Salient features of infrastructure details are as follows:

1. ADA has allocated a plot of Land to GGL, for developing online CNG Mother Station in Kalindi Vihar.
 2. GGL successfully commissioned 7 PNG connections in Commercial Segment.
 3. GGL connected 1723 PNG Domestic customers. A total cumulative connection till March 2014 has reached to 2921. Unwillingness of prospective customers to switch over to PNG and delay on part of the administration in according the requisite approvals has been the prime reasons for low achievement of targets.
-
- **CNG Infrastructure**
1. One CNG Mother Station was commissioned at Taj Nagri on 31.07.2013 and one online CNG station, M/s Yamuna Automobiles RO- IOCL at Jeoni Mandi on 21.03.2014. Delay in requisite statutory approval led to low achievement against target.

- **Pipeline Network**

1. **MDPE Network**

Total 95.45 Km (approx.) of MDPE pipeline network has been laid and commissioned in FY 2013-14

2. **Steel Pipeline:**

Total 0.84 inch Km of Steel pipeline was laid in FY 2013-14 against the target of 116 Inch Km as per approved business plan.

- **Domestic PNG Connection**

1. Total 3348 nos. connections were ready for Conversion (RFC) , out of which 1723 nos. of domestic customers have been charged with PNG

2. MOUs were signed with the following private builders for providing bulk connections at 488 flats in Agra

- a) M/s Ganpati Infrastructure

- b) M/s Shasya Mangalam

- c) M/s Aparna Infra

- d) M/s Shankar Greens

- **Industrial & Commercial customers**

Due to non- availability of APM gas, Green Gas Ltd. sources natural gas being imported in the country. The cost of natural gas, has proved to be a deterrent in the acceptance of present prices in commercial and industrial sectors, which is affecting the progress in these sectors.

GGL is preparing pricing policy for all segments with an emphasis on Commercial & Industrial segments. PNG penetration in Commercial & Industrial segment is still in initial phase. Therefore, prices for Commercial & Industrial customers is planned to be fixed in such a manner that it attracts these customers to switch over from their existing fuel to PNG.

Most of the renowned hotels are in Taj Nagri area of Agra. GGL is in the process of setting up DRS at Taj Nagri so as to supply natural gas to commercial customers in that area.

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. Year in Retrospect

Your Company began its commercial operation of selling CNG from 2nd April 2006. In its eighth year of operation, the Gross Turnover achieved by your company was Rs. 183.17 crore. The Profit after Interest, Depreciation, tax, operating expenses & extraordinary items was Rs. 22.63 crore compared to a profit of Rs. 20.82 Crores reported in the previous financial year.

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 CNG Stations, and gestation costs of fresh investments. As a result, project implementation and full throttle commissioning of CNG stations also got delayed.

4. Business Plan of Green Gas Limited for Financial year 2014-15

Business Plan for Lucknow

The company has created CNG dispensing capacity of 105000 kg/day at Lucknow. The CNG sale at Lucknow is approximately 75% of compression capacity.

During 2013-14 the company had planned to add an additional CNG compression capacity of 67,500 kg/day at Lucknow, against which 15,000 Kg/day of CNG compression capacity was achieved.

There is a plan of connecting 15000 additional houses at Lucknow by March 2015.

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

S. N.	Lucknow					
	Description	FY 2013-14		Till 31.03.2014	FY 2014-15	
		Planned	Achievement	Cumulative	Planned	Cumulative Plan Till 31.03.2015
1	CNG Stations- Nos					
	1. Mother Station	0	0	2	2	4
	2. Online RO	5	2	3	2	5
	3. DBS	4	1	3	2	5
2	CNG Capacity Kg/ Day	67500	15000	105000	105000	210000
3	Steel Pipeline (Inch-Km)	146	11.9	507.22	120.00	627.22
4	Domestic Connections	1200	389	810	15000	15810
5	Commercial Connection	10	1	1	10	11
6	Industrial Connection	10	3	3	10	13
7	MDPE Network (KM)	26	17	101.1	500	601.1

Business Plan for Agra

The company has created CNG dispensing capacity of 90000 kg/day at Agra. The CNG sale at Agra is approximately 50% of compression capacity. During 2013-14, the company had planned to add an additional CNG dispensing capacity of 41500 kg/day at Agra, which was achieved

There is a plan of connecting 15000 additional houses at Agra by March 2015. Detailed planning of CGD activities at Agra for the financial year is presented below.

S. N.	Description	AGRA				
		FY 2013-14		Till 31.03.2014	FY 2014-15	
		Planned	Achievement	Cumulative	Planned	Cumulative Plan Till 31.03.2015
1	CNG Stations- Nos					
	1. Mother Station	1	1	2	1	3
	2. Online RO	1	1	2	1	3
	3. DBS	3	0	2	3	5
2	CNG Capacity Kg/ Day	41500	41500	90,000	37,500	127,500
3	Steel Pipeline (Inch-Km)	116	0.84	12.57	166	178,57
4	Domestic Connections	10000	1728	2921	15000	17921
5	Commercial Connection	10	6	6	10	16
6	Industrial Connection	5	0	0	5	5
7.	MDPE Network (KM)	91.27	95.45	159.00	400.00	559.00

5. Capital & Financial Closure of Green Gas Limited

During the financial year 2013-14, GGL signed Term Loan agreement with Corporation Bank for Rs. 50 crore and availed Rs. 5.69 crore.

As per the mandate given for arranging private equity upto 50% share capital of Green Gas Limited, M/s SBI Capital Markets Limited had started work on Financial Model and Business Plan of Green Gas Limited with effect from 16th October 2009. SBI Caps submitted the valuation report.

6. Capital Expenditure and Working Capital Management

As at 31st March 2014, the fixed and intangible assets, including capital work in progress, stood at Rs. 175.51 crore. The Working Capital during the FY 2013-14 has improved due to repayment of term loan under Current Liability and availing of Term Loan classified under Long Term Liabilities, the Net Current Assets position has improved by Rs. 16.46 crore. Against the Board approved Capex of Rs. 15598 Lakh (approximately), GGL incurred Rs 2698 Lakh (approximately) and Rs. 2148 Lakhs (approximately) against the Revenue Budget of Rs. 2678 Lakh (approximately) in the financial year 2013-14.

7. 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. The authorization for Lucknow is pending and is being pursued.

8. 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 PNG & CNG, which is a cleaner fuel and helps users reduce the pollution levels as compared to coal /liquid fuels.

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.

Your Company plans to continue extending its network to areas adjacent to its current operations. Opportunities for expansion to new geographical areas will continue to be assessed. Growth in new areas will be through the bidding process set out by the PNGRB.

The Company has drawn up plans to make CNG available in adequate quantity and at many locations across the cities of Lucknow & Agra to increase the demand of CNG and to give impetus to the conversion process of existing vehicles running on liquid fuels to CNG mode.

CNG being an eco-friendly and economical fuel, a large number of private car manufacturers are introducing vehicles of CNG variants. Due to wide acceptance of CNG, there has been a large-scale conversion of private cars into CNG mode. This segment will give a boost to CNG sales in the coming years.

▪ Permissions & NOC

GGL has obtained the following NOC, Permissions, etc

1. Lucknow Development Authority (LDA) for laying of approx. 33 kms of MDPE networks in Gomti Nagar Extension area on nominal Road Restoration charges. This area has potential of around 10000 domestic connections and 100 commercial connections.
2. Northern Railways for crossing of Railway Track by HDD method by 4" dia Steel Pipe. This crossing will enable supply of gas to District Pressure Regulating System (DPRS), planned to be installed in Gomti Nagar Extension area.
3. Public Works Department for laying of approx. 4.5 km of MDPE networks in Gautam Palli, Vikramaditya Marg, Kalidas Marg, Old Speaker House, Cabinet Ganj, Raj Bhawan & other adjoining area. This area has having High Profile customers like Rajyapal Bhawan, Chief Minister's Residence and other Government officials. GGL has saved Rs. 1.075 crore by negotiating & strategically changing the methodology of execution from open cut to Trenchless (HDD or Moulding).
4. U.P. Awas Vikas Parishad for laying of MDPE networks in entire Vrindawan Yojna on Dig & Restore basis.
5. Road Cutting Permissions from various statutory agencies like Irrigation, Railways, LDA, Nagar Nigam, PWD, NHAI, Forest Department etc. for the ongoing Projects at Agra GA & Lucknow GA are being pursued.

9. Deposits

We have not accepted any Deposits within the meaning and in excess of limits prescribed under section 58-A of the Companies Act, 1956 (Acceptance of Deposits) Rules, 1975, as such, no amount of principal or interest payment was outstanding as on the Balance Sheet date.

10. Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

(a) Technology Absorption:

Under the additional information required under the provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, 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 CNG compressor without any venting of Gas to atmosphere.

Further, pursuant to the provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the following information is provided.

S. N.	Power and Fuel Consumption	Financial Year(2013-14)	
		Lucknow	Agra
1.0	Electricity		
1.1	Purchased Units(KVAH)	151668	113789
	Total Amount(Rs/Unit)	1276540	902412
1.2	Own generation		
(a)	Through Diesel Generator(KWH)	5418	NIL
	Units(KWH) per Litre of Diesel oil	3.87	NIL
	Cost per unit (Rs/Unit)	14.60	NIL
(b)	Through Gas Generator(KWH)	5652.36	12521.574
	Units (KWH) per SCM of Natural Gas	3.25	3.25
	Cost per unit (Rs)	3.48	5.51
2.0	Fuel Consumption		
	Fuel (NG) consumed in Gas Engines		
	Volume of gas (SCM)	1690565.11	1060602.552
	Rate of gas (RS/SCM)	11.32	17.93
	Total amounts(Rs.)	19137197.05	19016603.76

(c) Foreign Exchange earnings & outgo

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

11. Particulars of Employees under section 217(2A) of the Companies Act, 1956

The particulars of employees u/s. 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are 'NIL'.

12. CGD Network Safety

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

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

All safety requirements in line with statutory obligations as per guidelines of PESO, PNGRB and other relevant codes/standards are being monitored and compliance of the same is being taken up from time to time. The process for odorisation as per PNGRB regulation has been initiated and shall be installed by Nov.2014.

13. Safety, Health and Environment

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

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

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

14. Code of Conduct & Corporate Governance

It is hereby confirmed that all Board members and senior management personnel have affirmed compliance with the code of conduct during the financial year ending 31st March 2014.

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.

15. Compliance of applicable Laws

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. A company Secretary in practice has been assigned the role of Secretarial Auditor under section 2 (2) (c) (V) of the company secretaries Act, 1980

Secretarial audit for the financial year 2013-2014 was conducted by M/s Amit Gupta & Associates, Practicing Company Secretary, Lucknow. Secretarial audit report is enclosed with Director Report.

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.

16. Directors' Responsibility Statement pursuant to section 217(2AA) of the Companies Act, 1956.

Pursuant to the requirement of section 217(2AA) of the companies Act, 1956 in relation to Directors' Responsibility Statement, it is confirmed that:

- (i) In the preparation of annual accounts for the financial year ended 31st. March' 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have 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;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) The Directors have prepared the annual accounts for the financial year ended 31st March 2014 on a going concern basis.

17. Human Resources

During the year your Company enjoyed harmonious and cordial human relations amongst all its employees. Your Company continued its HR

efforts of providing developmental inputs to employees through outbound team building training programmes to develop their knowledge, skills and attitudes.

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

The Company is reviewing all other HR policies to make them more competitive and aligned with industry practices. Detailed HR policies in line with industry practice have been framed and are under consideration of the Board. The policies shall be finalised by December 2014.

18. Board of Directors

1. Shri V.S.Okhde, Director (Pipelines), IOCL, Nominee of IOCL has been appointed as additional Director w.e.f. 25.8.2014 in place of Shri A.M.K. Sinha, Director (P&BD), IOCL.
2. Shri M. Ravindran, Director (HR), GAIL, Nominee of GAIL (India) Limited has been appointed as additional Director w.e.f 27.6.2014 in place of Shri Rajesh Vedvyas, ED-Marketing, GAIL
3. Shri S.P.Sharma, Managing Director retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.
4. Shri Aseem Kumar Kashyap, Chief Manager, IOCL, nominee of Indian Oil Corporation Limited has been appointed as additional Director w.e.f 28.05.2014 in place of Shri Pankaj Mathur, Ex. Director (Commercial).

Further, the Directors take this opportunity to place on record their highest appreciation for the invaluable contribution made by Shri A.M.K.Sinha, Shri Rajesh Vedvyas and Shri Pankaj Mathur during their tenure as Directors on the Board of Directors of the Company.

19. Auditors

The Statutory Auditors' Report to the shareholders does not contain any qualification. The comments of the auditors are self-explanatory and do not require any comment.

The Auditors, M/s. S.C.Vasudeva, New Delhi hold office until the conclusion of the forthcoming Annual General Meeting. As per provision of Companies Act 2013, Green Gas Limited now comes under the preview of CAG audit. Thus statutory auditor shall be recommended by the Comptroller and Auditor General.

20. 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,

Aseem Kumar Kashyap
Director (Commercial)

S.P.Sharma
Managing Director

Place: Lucknow

Date:



AMIT GUPTA & ASSOCIATES

Practicing Company Secretaries

B-12 Basement, Murli Bhawan, 10-A, Ashok Marg, Lucknow - 226 001

Phone : 0522 - 4024033, Mobile : 94150 05108

E-mail: amitguptacs@gmail.com

SECRETARIAL AUDIT REPORT

Registration No. of the Company : U23201UP2005PLC030834
Nominal Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

To,
The Members
GREEN GAS LIMITED
Fortuna Towers, 2nd Floor,
10, Rana Pratap Marg,
Lucknow- 226001

Background

Green Gas Limited (hereinafter referred to as “the Company”) is a Joint Venture Company incorporated on 7th October, 2005, under the provisions of the Companies Act, 1956 in terms of Joint venture agreement dated 11th May, 2005 between Gas Authority of India Limited (GAIL) and Indian Oil Corporation Limited (IOCL) and certificate of commencement of business was issued on 23rd January, 2006.

Mandate

This secretarial audit has been conducted by the Company on voluntary basis. This scope of this audit is for period starting from 1st April, 2013 to 31st March, 2014.

Report

We have examined the registers, records, books and papers of Green Gas Limited as required to be maintained under the Companies Act, 1956/2013, (hereinafter referred to as “the Act”) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the period ended on 31st March, 2014 (hereinafter referred to as “the period”). In our opinion and to the best of our information and according to the examination carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid period:

1. The company has kept and maintained all registers as per the provisions of the Act and rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other



- authorities within the time prescribed under the Act and the rules made there under.
3. The company being a public limited company has minimum prescribed paid-up share capital of Rs. 5 lacs and comments are not required regarding maximum number of members.
 4. The Board of directors duly met 5 times on 27/04/2013, 26/07/2013, 13/09/2013, 11/12/2013 & 28/03/2014 during the period under report and in respect of which proper notices/agenda papers were given, generally seven days prior to meeting and the proceedings were properly recorded and signed, in the minute's book maintained for the purpose during the period. In compliance to the requirement of section 285 of the act, at least one meeting was held in each quarter and gap between two meetings was not more than 4 months.
 5. The company has not closed its register of members during the period under report.
 6. The Eight Annual general meeting of the Company for the year ended at 31st March, 2013 was held on Friday the 13th Day of September, 2013, after giving notice to the members, auditors of the company and the resolutions passed were duly recorded in minutes book maintained for the purpose.
 7. No extra ordinary general meeting was held during the year under report.
 8. The company has not given any loan to directors falling under section 295 of the Act.
 9. The company has not entered in to any contract falling within the purview of section 297 of the Act.
 10. The company has made necessary entries in the register maintained under section 301 of the Act. However the disclosure of interest made by directors under section 299 of the Companies Act, 1956 does not include the indirect interest of GAIL/IOCL (each holding 25% equity in the Company) who had nominated them on the Board of the Company.
 11. As there were no instances falling within purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
 12. The company has not issued any duplicate share certificates during the period.
 13. The company has:
 - a. not made any allotment/transfer/transmission of shares during the period under report, therefore no question of delivery of share certificates.
 - b. not deposited any amount in a separate bank account as no dividend was declared during the period.
 - c. not posted warrants to the member of the company as no dividend was declared during the period.
 - d. not transferred any amount to the Investor Education and Protection Fund, as there was no such amount.
 - e. duly complied with the requirements of section 217 of the Act.
 14. The Board of directors of the company is duly constituted. Mr. A. M. K. Sinha, Nominee of IOCL & Mr. Rajesh Vedvyas, Nominee Director of GAIL who were appointed as Chairman/Director w.e.f. 28.09.2012, were regularized as Director at Annual general meeting held on 13.09.2013. Necessary Form 32 for changes in Directors had been filed.



15. Mr. S P Sharma, Nominee of GAIL, was appointed as Managing Director of Green Gas Limited w.e.f. 23/04/2013 in place of Mr. C D Joshi and necessary compliances had been made.
16. The company has not appointed any sole-selling agent during the period under reference.
17. According to the information and explanation given to us, the company was not required to obtain any approvals of the Central Government, Company law Board, Regional Director, Registrar of Companies or such other authorities as prescribed under the various provisions of the Act during the period.
18. The directors have disclosed their interest in other firms/companies to the Board of directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any securities during the period under reference. The clause 3.1(c) of the Joint Venture Agreement provides that the 22.5% of equity share capital of the Company has to be held each by GAIL & IOCL, 5% by Govt. of U.P and remaining 50% by strategic Investors Public/ Financial Institutions, unless mutually agreed otherwise. GGL has received Rs. 46.06 crores as an advance against equity share capital from GAIL/IOCL from time to time during 2006 to 2010 to implement the project. GGL could not make allotment of equity shares as equity closure of GGL does not happen till date, due to non- identification of strategic Investors Public/ Financial Institution as prescribed by the Joint Venture Agreement. However we have been informed that the Company has engaged SBI Caps for providing necessary help in equity closure. It is recommended to make equity closure and allotment of equity shares against advance of Rs. 46.06 crores received by GGL, at the earliest.
20. The company has not bought back any shares during the period.
21. Since the company has not issued any preference shares/debentures, there is no question of redemption of preference shares or debentures during the period.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. According to the information and explanation given to us, the company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the period.
24. The borrowings made by the Company are well within the limit of Rs. 200 crores approved by the shareholders of the Company under section 293(1)(d) for making borrowings in excess to the paid-up share capital and free reserve at annual general meeting held on 26th December, 2006. During the year under report the Company has filed one Form 8 for Creation of charge vide Charge Id no. 10455931 of Rs. 50 crores in favour of Corporation Bank w.e.f. 11/09/2013 vide Receipt no. B87870853 on 27/10/2013 and one form 17 on 02/12/2013 for satisfaction of charge w.e.f. 16/11/2013 of Rs. 15 crore in favour of union bank of India which was created on 19/09/2011 vide Charge Id no. 10311954. The company has not made any inter-corporate loans and investments in terms of the provisions of section 372A of the act.
25. The company has not made any inter-corporate loans and investments in terms of the provisions of section 372A of the act.



26. The company has not altered any provision of its Memorandum of Association during the year under report.
27. The company has not altered any provisions of its Articles of Association during the period under report.
28. The Registered office of the Company continues to be at Fortuna Towers, 2nd Floor, 10, Rana Pratap Marg, Lucknow- 226001 w.e.f. 28th March, 2006.
29. The annual accounts for the year ended at 31st March, 2013 had been submitted with in prescribed time in XRRL, after approval of the Board & adoption of shareholders at 8th Annual General Meeting.
30. The Cost Audit Report for the year ended at 31st March, 2013 has been duly submitted with in prescribed time limit in XBRL.
31. The appointment of Statutory Auditors & Cost Auditor for financial year 2013-14 has been duly made and necessary forms had been submitted.
32. As reported to us there was no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment was imposed on the company during the period for alleged offences under the Act.
33. The accounts for the period reveal and as informed, the company has not received any money as security from its employees during the period.
34. We have been informed that provisions regarding the Employees Provident Fund were duly complied by the company during the period under report.

Place :Lucknow
Date :13.05.2014

Signature :
Name : Amit Gupta
C.P. No. : 4682



ANNEXURE - A

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

REGISTERS MAINTAINED BY THE COMPANY

1. Register of Members u/s 150
2. Minute book of Board and General meetings
3. Attendance Register
4. Register of particulars of contracts in which directors are interested u/s 301
5. Register of Directors, Managing Directors and Secretaries u/s 303
6. Register of Directors' shareholdings u/s 307
7. Register of charges u/s 143
8. Register of share transfer
9. Register of common Seal
10. Register of share certificates

The company has not maintained the following registers as it was informed that there were no entries/transaction to be recorded therein:

1. Register of Deposits under rule 7 of the Companies (Acceptance of deposit Rules) 1975
2. Register of Securities brought back under section 77A
3. Register and Index of Debenture holders u/s 152
4. Foreign Register of members or debenture holders u/s 157
5. Register of renewed and duplicate certificates under rules 7 of the Companies (Issue of Share Certificates Rules) 1960.

Place : Lucknow

Date : 13.05.2014

Signature :
Name : Amit Gupta
C.P. No. : 4682

ANNEXURE - B

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

FORMS AND RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES DURING PERIOD UNDER REPORT

S.No.	Form No./Return	Filed under section	For	SRN No/Date of filing & (Delay , if any)
ANNUAL FILING				
1.	Form 20 B Annual Return	159(1)	For the year ended at 31 st March, 2013 (AGM held on 13.09.2013)	Q22916761 11/11/2013
2.	Form 23AC & ACA Balance Sheet & Profit & Loss Account	220(1)	For the year ended at 31 st March, 2013 (AGM held on 13.09.2013)	Q13405774 12/10/2013
3.	Form I (Cost Audit Report)	233B	For the year ended at 31 st March, 2013	S22664734 30.09.2013
AUDITORS APPOINTMENT				
4.	Form 23	224A	Special Resolution passed at AGM dated 13.09.2013 for appointment of Statutory Auditor for year ended at 31.03.2014	B86562873 10/10/2013
5.	Form 23B	224(1A)	Filed by Auditor accepting his appointment for year ended at 31.03.2014	S22535280 26/09/2013
6.	Form 23C	233B	For appointment of Cost Auditor for financial year 2013-14	S21364567 25/06/2013
7.	Form 23D	233B	For acceptance of Cost Audit for financial year 2013-14	14/11/2013
CHANGES IN DIRECTORS				
8.	Form 32	303(2)	Regularisation of Mr. A M K Sinha and Mr. Rajesh Ved Vyas as Director as Annual General Meeting held on 13.09.2013.	B86562931 10/10/2013
9.	Form 32	303(2)	Appointment of Mr. S P Sharma, as a Nominee Director of GAIL w.e.f. 23.04.2013.	B78155058 27/06/2013
10.	Form 32	303(2)	Change in designation of Mr. S P Sharma, as a Managing Director w.e.f. 23.04.2013.	B78155223 27/06/2013
11.	Form 23	192	Appointment of Mr. S P Sharma, Nominee of GAIL, as Managing Director of the Company for the period of three years w.e.f. 23.04.2013.	B78186780 28/06/2013
12.	Form 23	192	For Consent of shareholders to the	B86562873



			appointment of Shri S P Sharma as Managing Director w.e.f. 23.04.2013	10/10/2013
13.	Form 25C	198,26(2) 309	Appointment of Mr. S P Sharma as Managing Director w.e.f. 23.04.2013 with a annual remuneration of Rs. 50 Lacs per annum.	B78189768 28/06/2013
14.	Form 25C	198,26(2) 309	Appointment of Mr. Pankaj Mathur as Whole Time Director w.e.f. 11.05.2012 with a annual remuneration of Rs. 40 Lacs per annum.	B78185675 28/06/2013
15.	Form 32	303(2)	Cessation of Mr. Charan Datt Joshi as a Managing Director w.e.f. 18.04.2013 due to resignation	B77961001 25/06/2013
REGISTRATION/SATISFACTION OF CHARGES				
16.	Form 17	138	For satisfaction of charge w.e.f. 16.11.2013 of Rs. 15 crore in favour of union bank of India which was created on 19.09.2011 vide Charge creation id no. 10311954.	B90500158 02/12/2013
17.	Form 8		For Creation of charge of Rs. 50 crores in favour of Corporation Bank w.e.f. 11/09/2013 vide Charge creation id no. 10455931	B87870853 27/10/2013

Place :Lucknow
Date : 13.05.2014

Signature:
Name : Amit Gupta
C.P. No. : 4682

Annexure - C

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

DETAIL OF BOARD MEETINGS HELD DURING THE PERIOD UNDER REPORT

Meeting No.	DATE OF MEETINGS	DATE OF DISPATCH OF NOTICE	DATE OF DISPATCH OF AGENDA	DATE OF SIGNING OF MINUTES
36 th	27/04/2013	19/04/13	19/04/13	04/06/2013
37 th	26/07/2013	12/07/13	12/07/13	26/08/2013
38 th	13/09/2013	10/09/13	10/09/13	27/09/2013
39 th	11/12/2013	03/12/13	04/12/13	10/01/2014
40 th	28/03/2014	05/03/14	05/03/14	In process.

Mode of Dispatch of Agenda/Notices: Notices for Board meetings are sent by e-mails & Agenda for Board meetings are sent by e-mail followed by hard copy through courier.

Note:

1. Three resolutions as per details provided herein below had been passed by circulation during the period under report. All circular resolutions were confirmed in immediate next Board meeting.

Sr. No.	Details	Date of Circulation	No of persons approving	Date of Declaring as passed & placing before next meeting of Board
1.	Appointment of Shri S.P.Sharma as Managing Director, GGL	25/04/2013	04	27/04/2013
2.	Appointment of Cost Auditor for the Financial Year 2013-14	20/06/2013	04	26/07/2013



3.	Splitting of technical consultancy tender and issuing of the LOA's to M/s PDIL for Lucknow GA & M/s TEPL for Agra GA with a total financial implication of Rs. 16413472/- only for the duration of 02 years.	22/08/2013	04	13/09/2013
----	--	------------	----	------------



Annexure - D

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

DETAILS OF EIGHT ANNUAL GENERAL MEETING

DATE OF MEETINGS	DATE OF DISPATCH OF NOTICE	MODE OF DISPATCH
13/09/2013	16/08/2013	E-mail



Annexure - E

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

LIST OF DIRECTORS/SECRETARIES AS ON DATE OF REPORT

Sr. No.	Name	Category	Designation	Date of App	Due Date of Retirement
1.	Shri A M K Sinha, Nominee of IOCL	Non-Executive	Chairman	28/09/2012	9 th AGM scheduled in 2014
2.	Shri S P Sharma, Nominee of GAIL	Executive	Managing Director	23/04/2014	22/04/2017
3.	Shri Pankaj Mathur, Nominee of IOCL	Executive	Whole Time Director - Designated as Director (Commercial)	11/05/2012	10/05/2015
4.	Shri Rajesh Vedvyas, Nominee of GAIL	Non-Executive	Director	28/09/2012	9 th AGM scheduled in 2014
5.	Mr. Rajeev Guglani	-	Secretary	08/03/2007	-

Note:

1. In addition to the applicable provisions of the Companies Act, 1956 the Board constitution is governed by Article 5.1(b) of the Joint Venture Agreement dated 7th October, 2005 between GAIL & IOCL & Article 116, 121 & 140 of the Articles of Association of the Company, which provides for first Director, Chairman of the Board, Managing Director/Director (Commercial).
2. Accordingly both GAIL & IOCL has right to nominate two director each on the Board of the Company. Managing Director is nominated by GAIL for the period of three years & Director (Commercial) is nominated by IOCL for three years. Chairman is nominated by GAIL and IOCL on alternate basis for the period of two years from AGM to AGM.



Annexure - F

Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

LIST OF SHAREHOLDERS AS ON DATE OF REPORT

Sr. No.	Name & Fathers name	Address	No of Equity Shares	Face Value	Percent age
1.	GAIL(India)Limited	GAIL Bhawan, 16,Bhikaji Cama Place, R.K.Puram, New Delhi	12500	10/-	25%
2.	Indian Oil Corporation Limited	Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400 051	12500	10/-	25%
3.	IL&FS Trust Company Limited A/c - ILFS Private Equity Trust - Leverage India Fund	IL&FS Limited, Custodial Services Division, Plot No. 14, Raheja Vihar, Chandivli, Andheri (E) Mumbai - 400 072	10000	10/-	20%
4.	Infrastructure Development Finance Company Limited	Ramon House, H.T.Parekh Marg, 169,Backbay Reclamation Mumbai-20	10000	10/-	20%
5.	Rakesh Kumar Sharma S/o Sh. J. P. Sharma	E-24,Mayur Vihar, Phase II,Delhi-91	1250	10/-	2.5%
6.	S.C. Hatwal S/o Late P. R. Hatwal	A-6,GAIL Apartments, Sector-67,Noida	1250	10/-	2.5%
7.	Sharat Chandra Meshram S/o Late Munna Lal Meshram	Fiona-601, Hiranandani Estate, Patalipada G.B.Road. Thane/-400607	1250	10/-	2.5%
8.	K. P. Roy S/o Sh. S. K. Roy	E-63,Asian Games Village, New Delhi	1250	10/-	2.5%



Name of the Company : GREEN GAS LIMITED
Registration No. : U23201UP2005PLC030834
Authorised Capital : Rs. 1,030,000,000 /-
Paid up Share Capital : Rs. 5,00,000/-

SUMMARY OF CHARGES AS ON 31ST MARCH, 2014

S. No.	Charge ID	Date of Charge Creation	Charge Amount Secured (Rs. In Crores)	Amount Actually Disbursed /Outstanding (Rs. In crores)	Charge Holder	Address
1.	10050115	16/10/2012 *	15.00	0.70	State Bank of India	6A, Way Road,, Gokhle Marg, Lucknow, Uttar Pradesh - 226001, India
2.	10455931	11/09/2013	50.00	5.69	Corporation Bank	11, B N Road, Kaiserbagh, Lucknow - 226 001, Uttar Pradesh, India

* Date of charge modification



GREEN GAS LIMITED
BALANCE SHEET AS AT MARCH 31, 2014

(Rs. in Lacs)

PARTICULARS	NOTE	As At 31.03.2014	As At 31.03.2013
<u>I. EQUITY & LIABILITIES</u>			
<u>(1) Shareholders' Funds</u>			
(a) Equity Share Capital	2	5.00	5.00
(b) Reserves and Surplus	3	10,070.63	7,808.01
<u>(2) Share Application Money</u>			
Pending allotment	4	4,606.08	4,606.08
<u>(3) Non Current Liabilities</u>			
(a) Long Term Borrowings	5	569.01	70.00
(b) Deferred Tax Liabilities	6	668.62	504.89
(c) Long Term Provisions	7	59.70	69.20
<u>(4) Current Liabilities</u>			
(a) Trade Payables	8	535.16	517.91
(b) Other Current Liabilities	9	1,136.41	1,691.13
(c) Short Term Provisions	10	0.67	28.48
Total		17,651.28	15,300.70
<u>II. ASSETS</u>			
<u>(1) Non Current Assets</u>			
(a) Fixed Assets	11		
(i) Tangible Assets		11,575.77	7,192.70
(ii) Intangible Assets		1.57	5.67
(iii) Capital Work in Progress		3,117.94	5,503.65
(b) Long-Term Loans And Advances	12	30.66	107.13
(c) Other Non-current Assets	13	42.42	689.71
<u>(2) Current Assets</u>			
(a) Inventories	14	241.21	176.14
(b) Trade Receivables	15	1,088.90	622.34
(c) Cash & Bank Balances	16	1,282.09	782.61
(d) Short Term Loan & Advances	17	207.18	198.89
(e) Other Current Assets	18	63.54	21.85
Total		17,651.28	15,300.70

For and on behalf of Board

As per our report of even date
For S. C. Vasudeva & Co.
FRN. No. 000235N
Chartered Accountants

Rajeev Guglani
Company Secretary

S K Singh
Chief Manager (Finance)

Abhinav Khosla
Partner
Membership No. : 087010

A K Kashyap
Director (Commercial)

S P Sharma
Managing Director

Place :
Date :

Place :
Date :



GREEN GAS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. in Lacs)

PARTICULARS	NOTE	For the year ended 31.03.2014	For the year ended 31.03.2013
REVENUE			
Revenue from operations	19	16,026.37	12,423.41
Other Income	20	174.96	173.12
Total Revenue		16,201.33	12,596.53
EXPENDITURE			
Cost of Raw materials consumed		9,901.11	7,141.75
Change in inventories of Finished goods and Stock in trade		(1.63)	0.37
Employee Benefits Expense	21	237.72	275.15
Finance Costs	22	102.08	68.74
Depreciation & Amortisation Expense	11	705.71	550.27
Other Expenses	23	1,808.98	1,437.79
Total Expenditure		12,753.97	9,474.08
Profit before exceptional and extra ordinary items and tax		3,447.36	3,122.45
Exceptional Items		-	-
Profit before Tax		3,447.36	3,122.45
Less: Tax Expense			
- Current Tax		1,021.00	949.50
- Deferred Tax		163.74	90.76
Profit/(loss) for the year from continuing operations		2,262.62	2,082.19
Profit/(loss) for the year		2,262.62	2,082.19
Basic Earnings per Share (in Rs.)		4,525.24	4,164.37
Diluted Earnings per Share (in Rs.)		4.91	4.52

As per our report of even date
For S. C. Vasudeva & Co.
 FRN. No. 000235N
 Chartered Accountants

Abhinav Khosla
 Partner
 Membership No. : 087010

Place :

Date :

For and on behalf of Board

Rajeev Guglani
 Company Secretary

S K Singh
 Chief Manager (Finance)

A K Kashyap
 Director (Commercial)

S P Sharma
 Managing Director

Place : Lucknow

Date :

Notes to Financial Statements	As at 31 st March, 2014 Rs.	As at 31st March, 2013 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	5.00	5.00
50,000 Equity Shares of Rs. 10/- each fully paid up		
	5.00	5.00

a. Reconciliation of shares outstanding at the beginning and at the end of

Equity Shares	As at 31 st March 2014		As at 31 st March 2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5.00	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.

Name of Shareholder	As at 31 st March, 2014		As at 31 st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
GAIL (India) Limited	12,500	25%	12,500	25%
Indian Oil Corporation Limited	12,500	25%	12,500	25%
IL&FS Trust Company Limited	10,000	20%	10,000	20%
Infrastructure Development Corporation Limited	10,000	20%	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.

As at 31st
March, 2014

As at 31st March, 2013

3. Reserves and surplus

Surplus in Statement of Profit and Loss

Opening balance	7,808.01	5,725.82
Add : Surplus for the year	2,262.62	2,082.19
Total	<u>10,070.63</u>	<u>7,808.01</u>

4. a. Share Application Money Pending Allotment

Advance against Equity Share Capital (from Indian Oil Corporation Limited)	2,302.98	2,302.98
Advance against Equity Share Capital (from GAIL (India) Limited)	2,303.10	2,303.10
	<u>4,606.08</u>	<u>4,606.08</u>

- b.** 2,31,75,000 shares of Rs. 10 face value are proposed to be issued at par to each of the two aforesaid share applicants. This would constitute 22.50% of authorised share capital for each of the applicants, further 5% of the Equity would be contributed by the Uttar Pradesh Government. Advance against the equity share capital is received from the above mentioned companies in four tranches between March 2006 to February 2010. Allotment of shares to the applicants is pending because the residual 50% equity share capital which is required to be allotted to private sector investors, is awaiting tie up. Therefore, allotment of shares to the applicants has not been done. As soon as the proposed residual private equity is tied up, the company will take steps to allot shares against the aforesaid share application money to the respective share applicants. There is no fixed date specified in the share application/shareholders agreement for allotment of shares. There is no provision for interest payment on share application money for the duration it is pending allotment.

5. **Long- Term Borrowings**

PARTICULARS	TOTAL		Non-Current Portion		Current Portion	
	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13
Term loans (Secured)						
From Banks						
State Bank Of India	70.00	358.00	-	70.00	70.00	288.00
	-	-	-	-	-	-
Corporation Bank	569.01	-	569.01	-	-	-
	-	-	-	-	-	-
Union Bank of India	-	614.42	-	-	-	614.42
	639.01	972.42	569.01	70.00	70.00	902.42
Less:	-	-	-	-	-	-
	-	-	-	-	-	-
Amount disclosed under "Other Current Liability" (Refer Note 9)	70.00	902.42	-	-	70.00	902.42
	-	-	-	-	-	-
	-	-	-	-	-	-
	569.01	70.00	569.01	70.00	-	-

- 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 which at present is 10% plus 2.90% p.a. The Loan is repayable in 18 equal quarterly installments starting from March, 2010 of Rs. 72 lakhs per quarter. The Loan is 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 has already been made during the year at an interest rate of base rate which is 10.25% 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.
- c. Term Loan from UBI was availed in terms of agreement dated 19.09.2011. Rate of interest chargeable on loan is SBI Base Rate which at present is 10 % plus 1.95% . Repayment of Loan shall be in 72 monthly installments after moratorium period of two years commencing October 2013. The loan is secured by first pari-passu charge on all fixed assets and second charge on all current assets of the company both present and future. The total loan sanctioned is Rs. 15,000 lacs and the loan availed is Rs. 614.42 lacs. The repayment of loan shall be in 72 monthly equated installments. In the event of not availing the full sanctioned loan monthly equated installements would remain the same.

As at 31st
March, 2014

As at 31st March, 2013

6. **Deferred Tax Liabilities (Net)**

Deferred Tax Liability (net) as on 31st March, 2014 is as follows:

Opening Balance	504.89	414.14
Restatement of Opening Balance	504.89	433.86
Deferred Tax Liability on account of Timing difference on account of depreciation	163.96	82.03
Less: Deferred tax assets arising on account of Provision for Employee benefits and others	0.23	11.00
Net deferred tax liability	<u>668.62</u>	<u>504.89</u>

7. **Long-Term Provisions**

Provision for Employee Benefits

Provision for Leave Encashment	30.70	40.95
Provision for Sick Leave	9.07	8.49
Provision for Gratuity	19.93	19.76
Total	<u>59.70</u>	<u>69.20</u>

8. Trade payables			
Due to Others	535.16		517.91
Total	<u>535.16</u>		<u>517.91</u>
9. Other current liabilities			
Current maturities of long-term debt	70.00		902.42
Interest accrued and due	6.61		4.55
Other liabilities			
Interest accrued but not due	-		0.99
Sundry creditors for capital items	538.45		327.19
TDS and other statutory liabilities	116.65		78.11
Other payables			
Retention Money, EMD, Deposits & Security Depo	384.40		329.44
Expense Payable	18.18		47.71
Others- PNG Customers Petty Balances	2.12		0.71
Total	<u>1,136.41</u>		<u>1,691.13</u>
10. Short-term provisions			
Provision for Income tax	-	2,708.59	
Less: Prepaid Taxes	-	<u>2,680.94</u>	27.65
Provision for Employee Benefits			
Provision for Leave Encashment	0.52		0.59
Provision for Sick Leave	0.15		0.12
Provision for Gratuity	-		0.12
Total	<u>0.67</u>		<u>28.48</u>

As at 31st
March, 2014

As at 31st March, 2013

**12. Long-Term Loans And Advances
(Unsecured, considered good)**

Security Deposits	30.66	30.66
Capital Advance	-	76.47
Total	<u>30.66</u>	<u>107.13</u>

13. Other non current assets

Others		
Fixed Deposit with Banks as Margin Money (against guarantees)	42.42	689.71
Total	<u>42.42</u>	<u>689.71</u>

14. Inventories

Raw Material		
Natural Gas	5.13	3.64
Finished Goods		
Compressed Natural Gas	3.04	1.40
Stores & Spares	233.04	171.10
Total	<u>241.21</u>	<u>176.14</u>

**15. Trade Receivables
(Unsecured Considered Good)**

Outstanding for a period exceeding six months from the date they are due for payment -Unsecured, Considered Good	<u>45.94</u>	<u>105.59</u>
	45.94	105.59
-Others	1,042.96	516.75
Total	<u>1,088.90</u>	<u>622.34</u>

16. Cash and Bank balances

Cash and cash equivalents		
Cash balance on hand	20.30	36.34
Balances with banks	543.07	244.82
Other Bank balances		
Fixed deposits	718.72	501.45
Total	<u>1,282.09</u>	<u>782.61</u>

**17. Short-term loans and advances
(Unsecured, considered good)**

Advances recoverable in cash or in kind or for value to be received	44.72	56.54
Security Deposits	2.00	2.00
Prepaid Expenses	13.70	28.54
Income Tax Refundable	29.55	29.55
Deferred Cenvat Credit Recoverable	47.35	55.64
Cenvat Credit Recoverable	44.64	26.62
Prepaid Income Taxes(Net of Provision of tax of Rs 37.3	25.22	-
Total	<u>207.18</u>	<u>198.89</u>

	As at 31st March, 2014	As at 31st March, 2013
18. Other Current Assets (Unsecured, considered good)		
Unbilled Revenue	17.36	9.08
Interest Accrued	37.97	12.77
Other Current Assets	8.21	-
Total	<u>63.54</u>	<u>21.85</u>
19. Revenue from operations		
Sale of Compressed Natur	18,180.04	14,091.82
Less: Excise Duty	<u>2,291.17</u>	<u>1,775.95</u>
	15,888.87	12,315.87
Sale of Piped Natural Gas	137.50	107.54
Total	<u>16,026.37</u>	<u>12,423.41</u>
20. Other Income		
Interest received from bank	134.86	101.70
Excess Provision written back	8.20	42.92
Miscellaneous income	31.90	28.50
Total	<u>174.96</u>	<u>173.12</u>
21. Employee benefits expense		
Salaries and wages	214.74	251.91
Staff welfare	9.22	8.52
Contribution to Provident & Other Funds	13.76	14.72
Total	<u>237.72</u>	<u>275.15</u>
22. Finance costs		
Interest on term loans	102.08	68.74
Total	<u>102.08</u>	<u>68.74</u>
	As at 31st March, 2014	As at 31st March, 2013
23. Other expenses		
Operating Expenses at CNG Stations	173.34	153.03
Fuel expenses	476.41	342.52
Compressor Operation and Maintenance Charges	234.37	126.22
Operation and Maintenance Dispensers	26.51	15.54
Rent	66.59	43.73
Hire Charges:		
-Equipment and LCV	244.39	245.51
Vehicle Hire and Running Expenses	36.72	27.26
Repairs & Maintenance		
-Plant and Machinery	54.47	68.16
-Others	<u>39.77</u>	<u>67.79</u>
	94.24	135.95
Auditors Remuneration		
as auditors	3.20	2.90
out of pocket expenses	<u>3.38</u>	<u>2.58</u>
	6.58	5.48
Office Expenses	105.49	50.72
Electricity Expenses	39.53	28.53
Printing and Stationery	14.14	13.32
Legal and Professional Expenses	13.56	31.88
Travelling Expenses	20.40	21.98
Bank Charges	13.51	7.65
Security Expenses	140.47	130.32
Prior Period Expense	30.11	-
Excise duty on differen in Closing and Opening Stock	0.15	0.01
Miscellaneous Expenses	72.46	58.14
Total	<u>1,808.98</u>	<u>1,437.79</u>



Green Gas Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	CURRENT YEAR 31st MARCH 2014 Amount (Rs.Lacs)		PREVIOUS YEAR 31st MARCH 2013 Amount (Rs.Lacs)	
Cash flow from Operating Activities				
Net profit before taxation and prior period adjustment		3,447.36		3,122.45
Add:				
Depreciation	705.71		550.27	
Interest Expense	102.08		68.74	
Preliminary expenses written off		807.79		619.01
Less:				
Depreciation written back			1.40	
Interest Income	134.86		101.70	
		134.86		103.10
Operating profit before working capital changes		4,120.29		3,638.36
Changes in the Working Capital				
Decrease/(Increase) in Inventories	(65.08)		(35.56)	
Decrease/(Increase) in Trade receivables	(466.56)		(112.73)	
Decrease/(Increase) in Long term Loans & Advances	76.47		(76.47)	
Decrease/(Increase) in Short term Loans & Advances	(8.28)		22.59	
Decrease/(Increase) in Other current assets	(41.69)		17.67	
(Decrease)/Increase in other Current Liabilities	(554.72)		758.08	
(Decrease)/Increase in Long term Provisions	(9.50)		29.16	
(Decrease)/Increase in Short term Provisions	(27.81)		(46.43)	
(Decrease)/Increase in Trade payables	17.25		(128.28)	
		(1,079.92)		428.03
Cash generated from operations		3,040.36		4,066.39
Taxes		1,021.00		949.50
Net cash from operating activities (A)		2,019.36		3,116.89
Cash flow from Investing Activities				
Add:				
Interest Income	134.86		101.70	
Less:				
Purchase of Fixed Asset	2,698.96	(2,564.10)	2,481.93	(2,380.23)
Net cash from investing activities (B)		(2,564.10)		(2,380.23)
Cash flow from Financing Activities				
Add:				
Proceeds from Borrowings (Net)	499.01		(902.42)	
Less:				
Interest Expense	102.08		68.74	
Repayment of borrowings	-	396.93		(971.16)
Net cash from financing activities (C)		396.93		(971.16)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(147.81)		(234.50)
Cash & cash equivalents at beginning of financial year		1,472.32		1,706.82
Cash & cash equivalents at end of financial year*		1,324.51		1,472.32

*Cash and cash equivalent at the end of financial year includes Rs 42.42 Lacs (Previous year Rs 689.71 Lacs) as earmarked balances with banks.

For and on behalf of Board

As per our report of even date
For S. C. Vasudeva & Co.
FRN. No. 000235N
Chartered Accountants

Rajeev Guglani
Company Secretary

S K Singh
Chief Manager (Finance)

Abhinav Khosla
Partner
Membership No. : 087010

A K Kashyap
Director (Commercial)

S P Sharma
Managing Director

Place :
Date :

Place : Lucknow
Date :



11. Fixed Assets

(Rs. in Lacs)

Particulars	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK		
	As At 01.04.2013	Additions during the year	Sales/ Adjustments during the year	As At 31.03.2014	As At 01.04.2013	For the year	As At 31.03.2014	As At 31.03.2014	As At 31.03.2013
(A) Tangible Assets									
Freehold land	541.21	1,340.73	-	1,881.94	-	-	-	1,881.94	541.21
Leasehold Land	57.32	-	-	57.32	6.58	0.94	7.52	49.80	50.74
Factory Buildings	679.35	-	-	679.35	61.07	22.69	83.76	595.59	618.28
Plant and Machinery	7,985.14	3,728.83	-	11,713.97	2,038.64	672.52	2,711.16	9,002.80	5,946.49
Furniture and Fixtures	32.55	15.13	-	47.67	6.12	2.87	8.98	38.69	26.43
Computers	24.32	0.00	-	24.32	14.77	2.60	17.37	6.95	9.55
Total (A)	9,319.88	5,084.69	-	14,404.57	2,127.17	701.62	2,828.79	11,575.77	7,192.70
(B) Intangible Assets									
Computer Software	28.57	-	-	28.57	22.90	4.10	27.00	1.57	5.67
Total (A)	28.57	-	-	28.57	22.90	4.10	27.00	1.57	5.67
GRAND TOTAL (A+B)	9,348.45	5,084.69	-	14,433.13	2,150.07	705.71	2,855.79	11,577.34	7,198.37
Previous Year	8,230.10	1,130.18	11.84	9,348.45	1,601.21	550.27	2,150.07	7,198.38	-

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

i. Contingent Liabilities:

Sr. No.	Particulars	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
(a)	Claims against the Company not acknowledged as debts	37.81	26.94
(b)	Tax related matters*	244.58	150.22
(c)	Other Matters**	1,800.00	NIL
	Total	2,082.39	177.16

*Tax Related Matters

- a) A demand of Rs.1.94 Lacs which includes penalty of Rs 0.97 Lacs had been raised for the financial year 2008-2009 and 2010-11 for Cenvat Credit of Service Tax Lucknow, against which the company has filed an appeal with Commissioner (Appeals) Lucknow.
- b) 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.
- c) A demand of Rs.13.55 Lacs which includes interest of Rs 1.26 Lacs and penalty of Rs 6.145 Lacs had been raised for the year 2010-2011 for Central Excise Agra, against which the company has filed an appeal with Commissioner (Appeals) Agra.
- d) 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.
- e) 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.
- f) A demand of Rs. 31.15 Lacs had been raised towards entry tax by U P Commercial Tax Department for the financial year 2007-08 against which the company has filed an appeal with Additional Commissioner (Appeals), Commercial Tax Department, Lucknow.
- g) A demand of Rs. 13.19 Lacs had been raised towards Trade Tax by U P Commercial Tax Department for the financial year 2007-08 against which company has filed an appeal with Additional Commissioner (Appeals), Commercial Tax Department, Lucknow.
- h) 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 Company has filed appeal against the aforesaid demand which is pending with Commissioner (Appeals) Income Tax, Lucknow.

- i) 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.

****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.

ii. Commitments:

SL	Particulars	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	803.51	1,525.35
(b)	Uncalled Liability on shares and other investments partly paid	Nil	Nil
(c)	Other commitments	Nil	Nil
	Total	803.51	1,525.35

25. Earning per share

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Net profit /(loss) attributable to Shareholders (Rs. in Lacs)	2262.62	2,082.19
Number of equity shares	50,000	50,000
Basic Earnings per Share of Rs. 10/- each (in Rs.)	4,525.24	4,164.37
Diluted Earnings per Share of Rs. 10/- each (in Rs.)	4.91	4.52

26. 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.

However, all the City Gas Distribution (CGD) entities have been directed by Petroleum and Natural Gas Regulatory Board (PNGRB) in 2013 to ensure compliance with the requirements of AS-17 by reporting their transportation and marketing activities as separate segments. The Company has reviewed the directions

as issued by PNGRB and is of the view that the aforesaid directions are not applicable because the company has not carried out any activity related to transportation and marketing of Natural Gas. Accordingly, presentation and disclosure of the segment reporting continues on similar basis as earlier years as a single reportable segment.

27. 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.

28. 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)	
		2014	2013	2014	2013	2014	2013
1.	Reconciliation of opening and closing balance of the present value of defined benefit obligations (PVO):						
	PVO at the Beginning of the year	27.26	14.20	41.54	26.24	8.61	4.24
	Current Service Cost	6.71	6.91	6.45	10.49	1.91	2.25
	Interest Cost	2.71	1.17	3.74	2.16	0.78	0.35
	Actuarial (gain)/ loss	(5.41)	4.99	(8.30)	10.27	(2.08)	1.77
	Benefits paid	Nil	Nil	(12.20)	(7.62)	Nil	Nil
	Past service cost						
	PVO at the end of the year	31.27	27.26	31.22	41.54	9.22	8.61
2.	Fair Value of Plan Assets						
	Fair Value of Plan assets at the beginning of the period	7.39	4.14	Nil	Nil	Nil	Nil
	Actual return on plan assets	1.17	0.37	Nil	Nil	Nil	Nil
	Contributions	2.79	2.88	Nil	Nil	Nil	Nil
	Benefits Paid	Nil	Nil	Nil	Nil	Nil	Nil
	Fair Value of Plan assets at the end of the period	11.35	7.39	Nil	Nil	Nil	Nil

3.	Amount recognized in the Profit and Loss account:						
	Current Service Cost	6.71	6.91	6.45	10.49	1.91	2.25
	Interest cost	2.71	1.17	3.74	2.16	0.78	0.35
	Expected Return on Plan Asset	(1.16)	(0.37)	Nil	Nil	Nil	Nil
	Actuarial (gain) / losses	(5.41)	4.98	(8.30)	10.27	(2.08)	1.77
	Net Cost	2.85	12.69	1.89	22.92	0.61	4.37
4.	Amount recognized in the Balance Sheet:						
	Present Value of obligation at the end of the period	31.27	27.26	31.22	41.54	9.22	8.61
	Fair Value of Plan Assets	11.35	7.39	Nil	Nil	Nil	Nil
	Funded Status	(19.92)	(19.88)	Nil	Nil	Nil	Nil
	Net Liability recognized in the Balance Sheet	19.92	19.88	31.22	41.54	9.22	8.61
5.	Assumptions used in accounting for the benefit plan:						
	Discount Rate (%)	9.00%	8.25%	9.00%	8.25%	8.25%	8.25%
	Salary escalation rate (%)	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

29. Related Party Transactions

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

(Rs. In Lacs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Value of Transaction during the year	Outstanding Balance at the Year end March 31, 2014	Value of Transaction during the previous year	Outstanding Balance at the Year end March 31, 2013
GAIL (India) Limited	Enterprise having Significant Influence.	Purchase of Natural Gas	7371.55	322.35 Cr	4176.33	181.03 Cr.
		Remuneration (Secondment Expenses)	45.50	Nil	41.06	3.62 Cr.
		Other Expenditure / Payments	2.51	Nil	2.46	NIL
		Security deposits	Nil	2.00 Dr	Nil	2.00 Dr.
GAIL Gas Limited	Subsidiary of Enterprise having Significant	Purchase of Natural Gas	3082.80	5.91Cr	3372.08	154.23 Cr.

	Influence					
Indian Oil Corporation Limited	Enterprise having Significant Influence	Purchase of Natural Gas	Nil	Nil	NIL	NIL
		Sale of CNG	7170.86	363. 61Dr	5563.80	278.46 Dr
		Remuneration (Secondment Expenses)	24.16	Nil	31.55	2.01 Cr
Key Management Personnel						
Shri S P Sharma	Managing Director (w.e.f. 23.04.2013)	Remuneration (Secondment Expenses)	44.01	N.A	N.A	N.A
Shri C D Joshi	Managing Director (Upto 18.04.2013)	Remuneration (Secondment Expenses)	1.49	N.A	41.06	N.A
Shri Harsha Mohan	Director (Commercial)	Remuneration (Secondment Expenses)	Nil	N.A	3.34	N.A
Shri Pankaj Mathur	Director (Commercial)	Remuneration (Secondment Expenses)	24.16	N.A	28.31	N.A

30. The information required by paragraph 5 of general instructions for preparation of the statement of profit and loss as per revised Schedule-VI of the Companies Act, 1956 :

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

Particulars	31 st March, 2014 (Rs. In Lacs)	Percentage	31 st March, 2013 (Rs. In Lacs)	Percentage
Raw Material				
Natural Gas	9902.60	100%	7141.75	100.00%
Stores & Spares				
Indigenous	107.75	100%	42.46	60.00%
Imported	-	-	28.30	40.00%
Total	107.75	100%	70.76	100.00%

b) CIF value of Imports:

- i) Capital goods : Nil
(Previous Year Rs 35.50 Lacs)
- ii) Spare parts and components : Nil
(Previous Year: Rs. 30.03 Lacs)

c) Others:

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

31. Registry of title deeds in the name of the company for the land at CNG station, Gomtinagar, Lucknow is pending.
32. 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.
- The 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 recovery.
33. 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.
34. The company has no suppliers who fall into the category of Micro, Small and Medium Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006". Hence there is no amount due to Micro, Small and Medium Enterprises for the year ended 31st March, 2014 (Previous Year Rs. Nil).
35. Previous year figures have been regrouped and reclassified wherever considered necessary.

For and on behalf of Board

As per our report of even date

For S. C. Vasudeva & Co.
FRN. No. 000235N
Chartered Accountants

Rajeev Guglani
 Company Secretary

S K Singh
 Chief Manager (Finance)

Abhinav Khosla
Partner
Membership No. : 087010

A K Kashyap
 Director
 (Commercial)

S P Sharma
 Managing Director

Place :
Date :

Place :
Date :

Lucknow

Green Gas Limited

Notes to the Financial Statements for the year ended 31st March, 2014

1. Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention in accordance with Generally Accepted Accounting Principles and applicable accounting standards referred to in section 211(3C) of the Companies Act, 1956 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 the rates as specified in Schedule XIV of the Companies Act, 1956, 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 on the land whose ownership is not with the company, has been depreciated on SLM basis in accordance with the rates as specified in Schedule XIV of the Company's Act, 1956.

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 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 a time proportion basis taking into account the amount outstanding and the rate applicable

j) 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.

k) 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.

l) 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.

m) 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.

n) 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.

o) 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.

p) 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.

q) 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.

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Green Gas Limited**

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Green Gas Limited**, which comprise the Balance Sheet as at **31st March, 2014** and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall financial presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2014,
- ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have 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 our examination of such books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors as on March 31st, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For S.C. Vasudeva & Co.
Chartered Accountants**

FRN No. - 000235N

**Place: New Delhi
Dated: 12th August 2014**

**(Abhinav Khosla)
Partner
M.No. 087010**

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred in our report to the members of **Green Gas Limited** on accounts for the financial year ended **31st March 2014**.

- (i) (a) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year and we are informed that no material discrepancies were noticed on such physical verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and the nature of its business.
- (c) According to the information and explanations given to us, the company has not disposed off substantial part of its fixed assets during the year.
- (ii) (a) Inventory comprises of Stores, Spares and Natural Gas. According to the information and explanations given to us, inventory of stores and spares has been physically verified during the year by the Management. In our opinion, the frequency of verification of stores and spares is reasonable. According to the information and explanations given to us, the stock of gas in pipeline and cascades has been taken on the basis of flow meter installed at sites and on volumetric basis respectively.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management as evidenced by written procedures and instructions are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories. Further according to the information and explanations given to us no material discrepancies were noticed on physical verification of inventory as compared to the book records. The balance of inventory established on physical verification as at the year end has been incorporated in the books of account.
- (iii) (a) According to the information and explanations given to us, there are no companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly the provisions of Paragraph 4 (iii)(a), (iii)(b), (iii)(c) and (iii)(d) of the Order are not applicable to the company.
- (b) According to the information and explanations given to us, there are no companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of Paragraph 4 (iii) (e), (iii) (f) and (iii) (g) of the Order are not applicable to the company.

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. However in our opinion internal control system for capital store inventory needs to be strengthened further. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, and based on the examination of the books of accounts, there are no companies, firms or other parties which need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly the provisions of Paragraph 4 (v) (a) & (v) (b) of the Order are not applicable to the company.
- (vi) According to the information and explanations given to us the company has not accepted any deposits from the public. Therefore, the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and relevant rules framed thereunder are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the accounts and records maintained by the Company pursuant to the order made by the Central Government for maintenance of the cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained.
- (ix)(a) According to the information and explanations given to us and on an examination of the records of the company, we are of the opinion that the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Customs Duty, Excise Duty, Service Tax and other statutory dues with appropriate authorities at proper intervals. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the records of the company the disputed statutory dues aggregating to Rs. 130.71 Lacs that have not been deposited on account of matters pending before the appellate authorities are given as under:

Name of the Statute	Nature of Dues	Disputed Amount (Rs. in lacs)	Period to which it relates	Forum where Dispute is pending
Central Excise Act 1944	(i) Wrong availment of Cenvat Credit on Capital Goods	10.43	FY 2006-07	Central Excise and Service tax Appellate Tribunal, New Delhi.
	(ii) Penalty for wrong	10.43		

	availment of Cenvat Credit			
Central Excise Act 1944	(i) Wrong availment of Cenvat Credit on Natural Gas (ii) Penalty for wrong availment of Cenvat Credit. (iii) Interest for wrong availment of Cenvat Credit	6.15 6.145 1.26	FY 2010-11	Commissioner (Appeals), Kanpur
Service Tax under Finance Act 1994	(i) Wrong availment of Cenvat Credit of Service tax (ii) Penalty for wrong availment of Cenvat Credit	0.97 0.97	FY 2008-09 and 2010-11	Commissioner (Appeals) Lucknow
Income Tax Act	Disallowance of expenses	94.36	AY 2011-12	Commissioner (Appeals) Lucknow

- (x) In our opinion, the company does not have accumulated losses at the end of financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanations given by the management we are of the opinion that the company has not defaulted in repayment of dues to any financial institution or bank. As informed to us no money has been raised through issue of debentures by the company.
- (xii) According to the information and explanations given to us, the company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of paragraph 4(xii) of the Order are not applicable to the company.
- (xiii) The company is not a chit fund company or nidhi /mutual benefit fund/society. Therefore, the provisions of Paragraph 4 (xiii) of the said Order are not applicable to the company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of paragraph 4(xiv) of the said Order are not applicable to the company
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial

institutions. Accordingly, the provisions of paragraph 4(xv) of the said Order are not applicable to the company

- (xvi) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that the term loans raised have been utilised for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the records of the company, we report that no funds have been raised on short-term basis. Therefore, the provisions of clause 4(xvi) of the Order are not applicable to the company.
- (xviii) According to the information and explanations given to us there are no companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of Paragraph 4 (xviii) of the Order are not applicable to the company.
- (xix) According to the information and explanations given to us the company has not issued any debentures. Therefore the provisions of paragraph 4 (xix) of the said Order are not applicable to the company.
- (xx) According to the information and explanations given to us the company has not raised any money by public issue during the year. Therefore, the provisions of paragraph 4 (xx) of the said Order are not applicable to the company.
- (xxi) According to the information and explanations given to us no fraud, on or by the company has been noticed or reported during the year.

Place: New Delhi

Dated : 12th August 2014

**For S.C. Vasudeva & Co.
Chartered Accountants
Firm Reg. No. 000235N**

**Abhinav Khosla
Partner
M. No. 087010**