INDRAPRASTHA GAS LIMITED

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

ND/IGL/CS/AR/2018-2019 October 10, 2018

The Manager
Dept. of Corporate Services
Bombay Stock Exchange Ltd.
Rotunda Building, 1st Floor
Dalal Street
Mumbai – 400 001

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

Security Code : 532514

Trading Symbol : IGL

Sub : Annual Report – 2017-18

Dear Sir / Madam,

In pursuance of the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we submit herewith the soft copy of the Annual Report for the financial year 2017-18 duly approved and adopted by the shareholders of the Company at the 19th Annual General Meeting held on September 26, 2018.

This is for your information and records.

Thanking you,

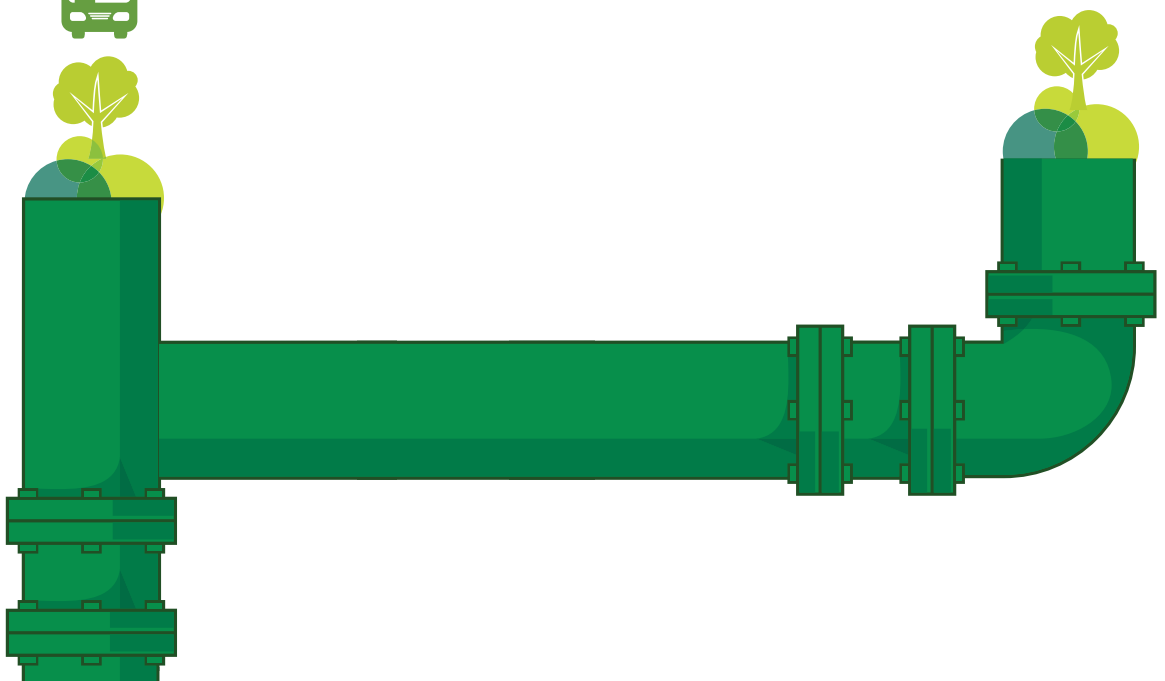
Yours sincerely,
for **Indraprastha Gas Limited,**

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

CREATING GREENER ENERGY SOLUTIONS

19th Annual Report 2017-18

Indraprastha Gas Limited



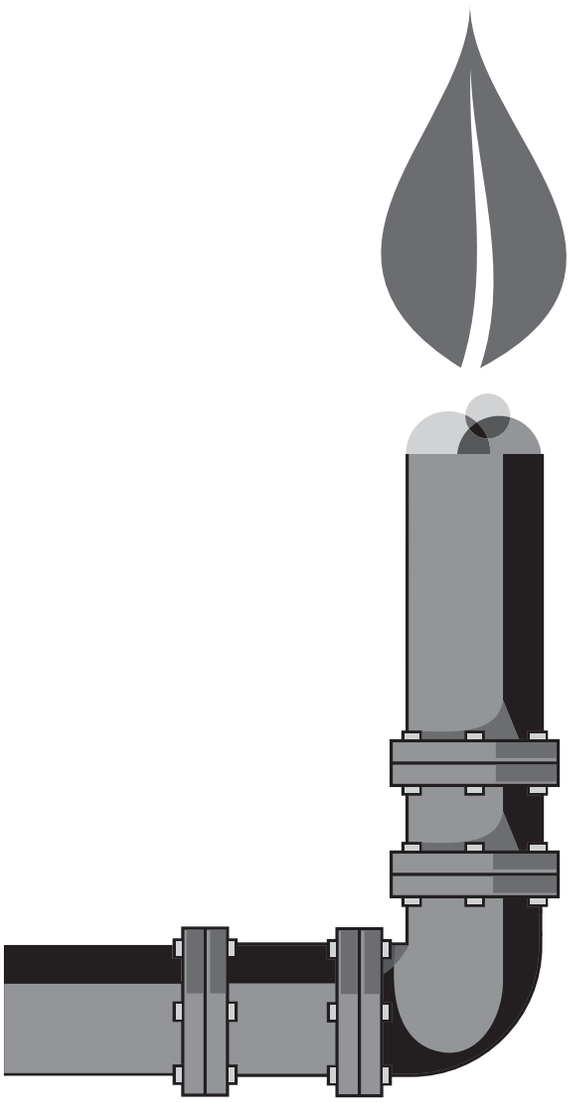


Vision

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

Mission

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



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Chairman's message



Dear Shareowners,

Your Company which started its journey almost 20 years back has been successful in its mission of providing greener energy solutions and pollution free environment. The financial year 2017-18 was another year of robust growth in our performance. During the year, gross turnover grew by 20.14% to Rs. 5052.53 Crores from Rs. 4205.43 Crores in the previous year. Profit after Tax showed an increase of 17.46% from Rs. 571.07 Crores in FY 2017 to Rs. 670.77 Crores in FY 2018. The Company has continued to maintain its track record of dividend payment, and for FY 2018, Board of Directors has recommended 100% dividend i.e. Rs. 2 per share.

On the operational front, your Company augmented its infrastructure by having 446 CNG stations with total compression capacity of 75.61 lacs kg per day. As on March 31, 2018, the Company was catering to 10.3 lacs vehicles in Delhi and NCR. During the year, the Company provided record number of 1.5 lacs new PNG domestic connections, taking total number to 8.92 lacs. Total 559 new Commercial and Industrial consumers were added to increase total consumer base to 3429.

Besides consolidating its position in existing areas of operation, your Company has entered into new geographical areas. In FY 2018, the Company started supply of CNG and PNG domestic in Rewari district of Haryana. It has also started building infrastructure in the earmarked area of Gurugram and geographical area of Karnal. Recently, the Company has received letter of intent from PNGRB for grant of authorization for development of CGD network in the geographical area of Meerut (except areas already authorized), Muzaffarnagar & Shamli Districts in Uttar Pradesh. Earlier, the Company acquired stakes in two CGD Companies which are bearing fruit. Further, the Company is exploring to expand its operation by acquiring stake in other CGD companies of the country.

Government of India is giving thrust to natural gas and wants to make India as a gas based economy. In this background, landscape of CGD industry is fast changing with coverage of a large number of geographical areas in various parts of the country. The changing CGD scenario would give a boost to our business.

We are confident about maintaining business momentum and delivering a strong performance in the coming years, with continuous expansion of our business in new geographical areas and increasing consumer base. As we move forward, we plan to increase number of CNG stations and pipeline infrastructure to capitalize the additional demand created by conversion of private cars and improvement of public transport. The Company has given thrust to PNG domestic segment and plans to penetrate in the existing areas as well as to tap left out areas. Statutory authorities and judicial directions to reduce pollution in Delhi & NCR by switching over to natural gas would give a further boost to Commercial and Industrial segment.

Besides expansion, your Company is also focused to customer needs and is continuously making efforts to improve its services. In this endeavour, your Company has leveraged information technology to develop new and advanced customer centric applications to provide user friendly experience to our customers. The existing customer portal has been enhanced with new functionalities and customer app – IGL Connect with new features such as self-billing etc. The Company has provided various options of digital payments for the convenience of customers.

Your Company has always accorded top most priority to Fire and Safety related issues and has made continuous efforts to maintain a good safety culture and to improve Fire and Safety standards. It is a matter of pride that your Company has won a number of prestigious safety awards such as Safety Innovation Award by Institute of Engineers and Certificate of Appreciation from National Safety Council in recognition of its excellence in the field of Fire & Safety management. It is worth mentioning here that your Company has crossed 131 Million Man Hours

accident free till 31st March 2018. This is a milestone achievement resulted from continuous efforts of all working directly and indirectly for the Company.

Your Company has always given utmost importance to its human capital and realizes that the challenges of the future can be best met with competent and motivated human resources. The Company is taking care of its employees through various welfare schemes and employee oriented policies. In this regard, the Company has taken various initiatives such as revision in remuneration, Town Hall Meetings and Mentor-Mentee mechanism, specialised trainings etc. In order to encourage team work and to enhance interaction among employees various extra-curricular/sports/team-building activities are organized from time to time. The Company recognizes and appreciates the contribution of all its employees in its growth path.

The Company has been taking various CSR activities to create value for the society. Health, education, environment and empowerment of women & underprivileged have been identified as thrust areas. Your Company is carrying forward 'IGL Swasth Saarthi' – a comprehensive health management programme for auto and taxi drivers in Delhi & NCR. With the objective of covering the risk in case of accidents of drivers of CNG run public transport, your Company has bought a Group Accident insurance cover under 'IGL Suraksha Yojna'. The Company has been supporting meritorious students from underprivileged strata of society for specialised coaching for engineering entrance examination (JEE) through a scheme run by an NGO. Your Company is also contributing in 'Make in India' programme, a Skill Development programme for unemployed youth by providing technical oriented quality training. The Company has won a number of awards for its various CSR projects/programmes at different forums.

On behalf of the Board of Directors, I take this opportunity to thank the Government of India, Petroleum and Natural Gas Regulatory Board and all departments of the Central and State governments, our valued Customers, all the authorities and agencies for their unstinted support to your Company.

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

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

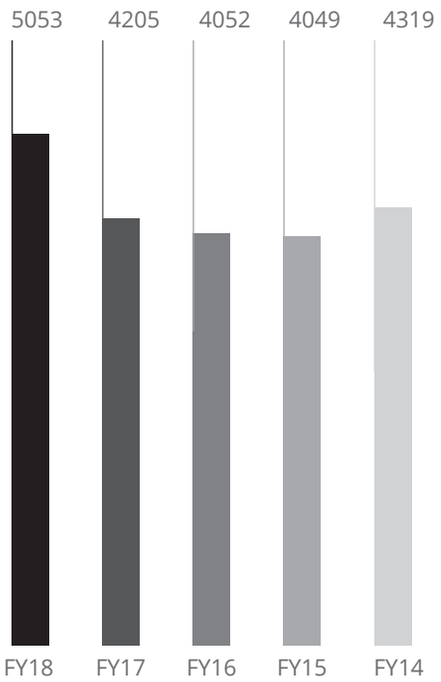
Warm Regards



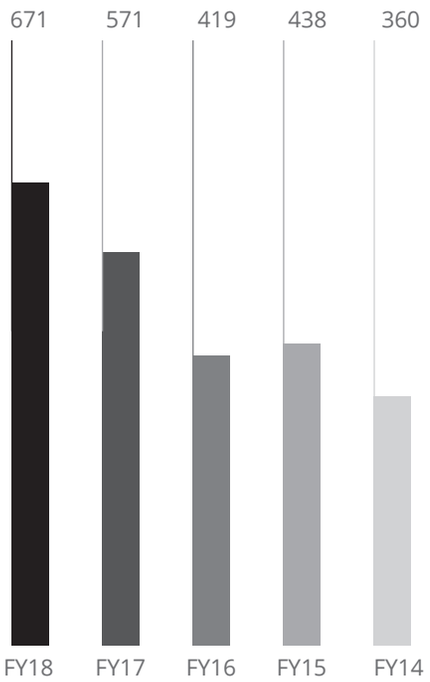
S. Ramesh
Chairman

Financial Highlights

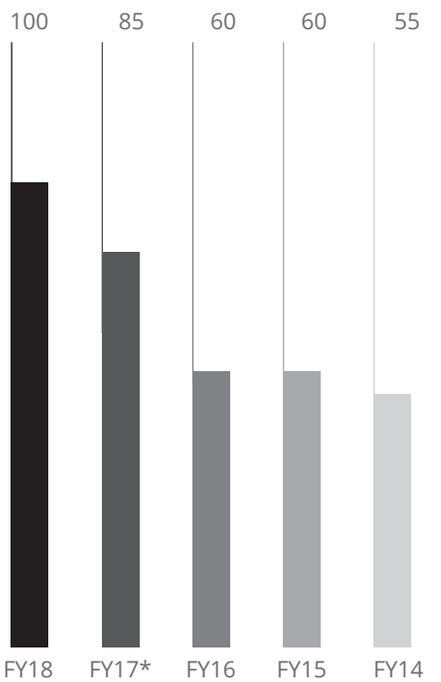
Gross Turnover (in Rs. Crores)



Profit after Tax (in Rs. Crores)

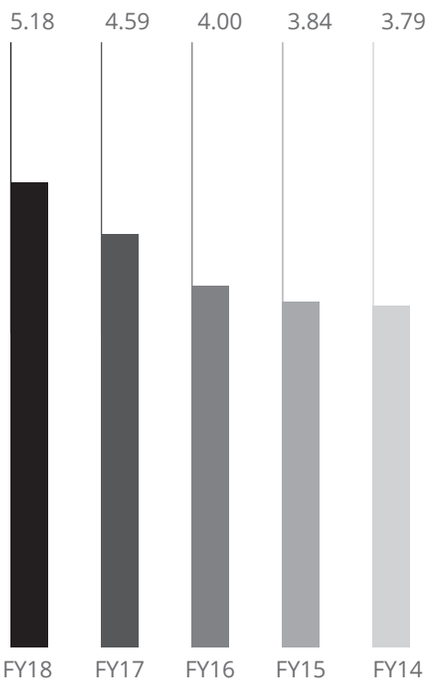


Dividend (%)



*Interim 35% and final 50%

Average sales per day (mmscmd)



Board of Directors



Shri S. Ramesh
Chairman



Shri E. S. Ranganathan
Managing Director



Shri Rajiv Sikka
Director (Commercial)



Shri S. Bairagi
Director



Shri S.S. Rao
Director



Shri V. Ranganathan
Director



Shri Santosh Kumar
Director



Shri Raghu Nayyar
Director



Dr. Sudha Sharma
Director



Smt. Varsha Joshi
Director

Bankers	• ICICI Bank Limited • IDBI Bank Limited • State Bank of India • Axis Bank Limited • Andhra Bank • Kotak Mahindra Bank Limited • HDFC Bank Limited • IndusInd Bank Limited • IDFC Bank Limited • HSBC Bank
Statutory Auditors	M/s Walker Chandiok & Co. LLP
Cost Auditors	M/s Chandra Wadhwa & Co.
Secretarial Auditors	M/s V.K. Sharma & co.
Company Secretary	Shri S. K. Jain
Registered Office	IGL Bhawan, Plot No. 4, Community Centre, Sector 9, R K Puram, New Delhi - 110022 CIN: L23201DL1998PLC097614

Directors' Report

To
The Members

Your Directors have pleasure in presenting the Nineteenth Annual Report and the Company's audited financial statements for the Financial Year ended March 31, 2018.

Physical Performance

During the year, the Company recorded sales as under:

Figures in Million Standard Cubic Meters (mmscm)

Product	For the Year 31 March 2018	For the Year 31 March 2017	% Growth (YoY)
Compressed Natural Gas (CNG)	1412.66	1268.42	11
Piped Natural Gas (PNG)	478.51	406.09	18
Total	**1891.17**	**1674.51**	**13**
Average Sales / per day (mmscmd)	5.18	4.59	



Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas; Skill Development & Entrepreneurship, Government of India launching IGL's Smart Card for CNG customers along with Hon'ble Members of Parliament, Shri Manoj Tiwari and Shri Parvesh Verma, Shri B.C. Tripathi, Chairman & Managing Director, GAIL (India) Ltd, Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited and Shri V. Nagarajan, then Director (Commercial), Indraprastha Gas Limited.

Financial Results

The Company's financial performance for the year ended March 31, 2018 is summarised below:

(Rs. in Crores)

Items	For the Year 31 March 2018	For the Year 31 March 2017
Net Sales & Other Income	4694.27	3880.00
Profit before Depreciation & Tax	1213.78	1027.76
Depreciation	181.29	167.07
Profit before tax	1032.49	860.69
Provision for tax	361.72	289.62
Profit after tax	670.77	571.07
Other comprehensive income	(0.18)	(0.86)
Total comprehensive income	670.59	570.21
Retained Earnings – opening balance	2483.06	2072.93
Add : Profit for the period	670.77	571.07
Profit available for appropriations	3153.83	2644.00
Appropriations:		
Dividends including Interim Dividend	70.00	133.00
Corporate dividend tax	14.25	27.08
Transferred to general reserve	-	-
Other comprehensive income recognised directly in retained earnings	(0.18)	(0.86)
Retained Earnings – closing balance	3069.40	2483.06

Financial Review

During the year, the gross turnover of the Company increased from Rs. 4205.43 Crores in 2016-17 to Rs. 5052.53 Crores in 2017-18 showing an increase of 20.14%.

The Profit After Tax (PAT) increased by 17.46% from Rs. 571.07 Crores in 2016-17 to Rs. 670.77 Crores in 2017-18.

The Company has prepared the Consolidated Financial Statements also which includes the Company's share of profit in its Associates combined on an equity method in accordance with IndAS 28 - "Investment in Associates and Joint Ventures". The consolidated PAT during FY 2017-18 is Rs. 721.72 Crores against Rs. 606.34 Crores in the previous year.

Dividend

Your Directors are pleased to recommend a dividend of 100% (Rs. 2.00 per share). The proposed dividend, including corporate dividend tax, would absorb Rs. 168.78 Crores.

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

Performance Highlights

Compressed Natural Gas Business

During the year, your Company showed growth in CNG business in double digit i.e.11% besides augmenting its CNG infrastructure in Delhi and NCR. The Company had 446 CNG stations and total compression capacity of 75.61 Lacs Kg/day as on March 31, 2018.

The Company was catering to 10.3 Lakhs vehicles including 7.1 Lakhs private cars in Delhi & NCR.

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

During the financial year 2017-18, the Company introduced for the first time prepaid card for its CNG customers in order to promote digital payments. Till now more than 50,000 cards are under circulation catering to 65,000 vehicles. The Company has tied up with taxi aggregator companies like Meru, Burdy cab, Yorker cab, etc. to further promote the pre-paid cards.

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

Piped Natural Gas Business

PNG - Domestic Connections

PNG had been the focus area of the Company during FY 2017-18. Total 1.5 Lacs new connections were provided which is the highest number of new connections in a single financial year in the history of the Company. The increase in the number of connections was achieved with aggressive multimedia marketing and publicity drive.

Your Company increased its steel pipeline network from 778 kms in FY 2016-17 to 919 kms in FY 2017-18 and its MDPE network from 9,940 kms to 10,754 kms in FY 2017-18.

The Company is tapping all sources like multimedia marketing, publicity and offering of various schemes to increase the penetration level in the existing areas, where PNG infrastructure is already available.

Company is also making concerted efforts to reach areas which are left out or considered non-technically feasible earlier. During the year, your Company started supply of domestic PNG for the first time in Defence Area of Delhi.

Your Company has customer centric approach and believes in providing best quality services to its customers. During the year, the Company strengthened its Customer Relationship Management (CRM) and other IT applications to provide better services to its customers.

Mobile App "IGL Connect" has been upgraded to enhance customer services. Recently, concept of spot billing has been added for the convenience of the customers.

The Company had total 8.92 Lacs connections in Delhi & NCR as on March 31, 2018.

PNG – Commercial & Industrial

During the year, your Company continued its thrust on the Commercial & Industrial segment which is one of the potential growth areas in the coming years. Despite stiff competition from alternate fuels, your Company achieved a growth of around 20% in sales volume in Industrial Segment & around 8% in Commercial Segment during financial year 2017-18. In terms of number of customers, the Industrial customer base increased from 962 in March 2017 to 1,224 in March, 2018 and Commercial customer base increased from 1,908 in March 2017 to 2,205 in March, 2018.

In Delhi, Delhi Pollution Control Committee (DPCC) has banned all other industrial fuels except PNG and has



Air Marshal H N Bhagwat, AVSM, VM, Air Officer Incharge Administration and Shri E.S. Ranganathan, Managing Director, IGL inaugurating the PNG supply at Indian Air Force Station, Willingdon Camp (Race Course) New Delhi, in the presence of senior IGL and IAF officials.



Shri E.S. Ranganathan, Managing Director commissioning the City Gate Station at Dharuhera, district Rewari (Haryana) in the presence of Shri V.Nagarajan, then Director (Commercial) and other senior officials from Indraprastha Gas Limited.

advised all Industrial customers (wherever PNG is available) to switchover to PNG. Similarly, with the ban of Furnace Oil (FO) and Petcoke in NCR by Hon'ble Supreme Court, PNG is emerging as the key energy source for Commercial & Industrial users, offering immense opportunities for growth.

Your Company has already expanded its pipeline network to most of the major industrial areas of Delhi & NCR i.e. Gautam Budh Nagar (Noida, Greater Noida), Ghaziabad & Rewari. Pipeline laying activities are underway in the remaining industrial areas in Delhi & NCR. Endeavors are being made to realize full market potential by tapping gas volumes from Commercial & Industrial customers.

Associate Companies

Central U.P. Gas Limited (CUGL)

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

CUGL achieved a gross turnover of Rs. 268.61 Crores and Profit After Tax of Rs. 46.10 Crores for the financial year ended March 31, 2018.

Maharashtra Natural Gas Limited (MNGL)

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

MNGL achieved a gross turnover of Rs. 654.87 Crores and Profit After Tax of Rs. 97.69 Crores for the financial year ended March 31, 2018.

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

Future Outlook

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

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

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

It is expected that price differential of CNG and liquid fuel will continue to drive the conversion of petrol driven private vehicles to CNG mode.

In PNG segment also, the Company is working aggressively to meet the target given by MoPNG. In the coming years, Commercial & Industrial segment shall also get a boost in Delhi & NCR due to directions of judiciary and statutory authorities to replace Furnace Oil (FO) & Petcoke with Natural Gas as industrial fuel.

Your Company has got authorization for development of CGD network in the geographical area of Karnal district in Haryana through bidding process of PNGRB.

The Company was also permitted to start CGD activities in the earmarked areas of Gurugram district of Haryana by Hon'ble Supreme Court of India. However, the matter of authorization of cities of Gurugram and Faridabad is sub-judice in Hon'ble Supreme Court of India for final disposal.

Recently, the Company has received letter of intent from PNGRB for grant of authorization for development of CGD network in the Geographical Area of Meerut (except areas already authorized), Muzaffarnagar & Shamli Districts.

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

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

The Company has earmarked Rs. 700 Crores for FY 2018-19 for capital expenditure.

Corporate Strategy

In order to ensure sustainable long term growth for its stakeholders in the evolving challenging business environment, your Company has come out with its new Vision & Mission statements. The Company has already initiated activities to identify high growth areas outside the existing energy portfolio.

Your Company has also started a comprehensive exercise on cost reduction and profit maximization in the existing business. The potential areas have been identified and implementation of the same would be taken up in a phased manner.

Information Technology

Your Company remains committed towards building a stable ERP & IT infrastructure through enhancement of existing IT applications and adding new & advanced customer centric applications using latest technology.

The Company has revamped LAN infrastructure with latest equipments alongwith enabling wi-fi access and connecting existing 86 remote locations through high speed MPLS connectivity. This would ensure easy accessibility of software applications and facilitate convenient exchange of data and information.

As part of strengthening the core infrastructure, your Company has also migrated the existing centralized data storage (SAN) to latest technology of high speed flash based storage system to ensure faster data access with minimal fault, failures and latency with high reliability and performance.

Your Company holds a clear vision of leveraging the power of internet in this digital era and developed a "Digital Strategy" to support release of various portal interfaces and apps for employees and customers. The Company has been continuously working to enhance the existing customer app - IGL connect with new features and to develop various employee centric apps to empower them in contributing to the Company's Vision and Mission.

The existing customer app – IGL Connect has been enriched with new Self Billing feature which as the name suggests, enables the customers to perform self-billing just by entering the current meter reading. Your Company continues to bring in new offers and options as part of customer delight initiatives including introduction of EMI options for security deposit, Refer & Earn scheme etc. in IGL connect app. Development for enabling "Spot billing" functionality through meter reading app has also being successfully completed.

The customer portal has been enhanced with new functionalities including immediate realization of online payments and prepaid recharges. Integration with various online wallets has been completed as payment methods for convenience of customers. Customer can now even make payment of security deposit amount through digital mode.

Your Company has also initiated project to develop community app for IGL employees through which they can work collaboratively towards common objectives while utilizing various self-services conveniently. Steps have been taken to leverage cloud services for existing meter reading app and developing new meter reading app for domestic and commercial customers.



Shri E.S.Ranganathan, Managing Director, Indraprastha Gas Limited and Shri Prabhat Singh, Managing Director, Petronet LNG Ltd, signing Memorandum of Understanding (MoU) for creating LNG infrastructure and joint CGD bidding, in the presence of Shri Rajiv Sikka, Director (Commercial), Indraprastha Gas Limited and senior officials from both the companies.



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited, signing MoU for installation of Electric Vehicle charging facilities with Mr. Wybren van der Vaart, CEO, WeCharge, in the presence of Ms. Cora van Nieuwenhuizen, Minister for Infrastructure and Water Management, Government of Netherland.

Human Resources

The Company values its human resources and is always committed in providing them an environment of learning and growth. Various welfare measures and employee oriented policies drive the human resources to deliver their best in achieving the organizational performance. The Company is taking care of its employees through different interventions viz. 360 Degree Appraisal Survey, Assessment Center for DGM & above level employees, Town Hall Meetings and Mentor-Mentee mechanism. The Company reviews from time to time compensation packages and other policies/ facilities of its employees to make them more competitive and aligned with best industry practices.

Learning and Development of employees forms an integral part of the Company's Policy towards accomplishing organizational goal. The continual imparting of training, both technical and non-technical, is necessary for the growth of employees. During the year, our employees were provided with the best of trainings viz. SAP functional module(s), Executive Diploma in Project Management (EDPM) training, etc. Outdoor team building exercises have also been introduced.

During the year, employees were encouraged to participate in various Cyclothan events, Delhi Half Marathon, Preventive Health Check-ups and Yoga/Stress Management Sessions to take care of employee's health & fitness.

During the year, the Company inducted various young talented professionals at entry level to infuse knowledge and talent in the professional sphere. The comprehensive Induction Training has also been imparted to new GETs. Your Company has maintained harmonious, cordial and healthy relations among its employees.

Your Company recognizes the contribution of its employees in its growth.

Health Safety and Environment (HSE)

Your Company has always accorded top most priority to Safety and has focused its continual efforts to maintain a good safety culture and to improve Fire & Safety standards in all aspects/ areas of operation of the organization as well as inculcating a habit of following safety as an integral part of the jobs executed by employees as well as contract workers at sites.

It is a matter of pride that your Company has crossed 131 Million Man Hours accident free till 31st March 2018. This is a milestone achievement resulted from continuous efforts of all the individuals working directly and indirectly for the Company. During FY 2017-18, your Company has been conferred Safety Innovation Award by Institute of Engineers and Certificate of Appreciation from National Safety Council to recognize the excellence in the field of Fire & Safety management.



Fire & Safety Awareness programme for UP State Fire Services.

Training is regularly imparted to the employees, contract staff at CNG stations, DTC drivers and consumers of CNG and PNG. To create safety awareness and to impart training to all



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

category of consumers, a dedicated group of trainers with fully equipped training van is deployed which conducts safety clinics along with practical demonstration.

Safety inspections of CNG vehicles are also done periodically on random basis to check compliances of safety standards and to prevent unsafe conditions arising out of gas leakage from the CNG kits. For safety of CNG vehicles, free safety clinics are periodically organized where inspection of CNG kits and fittings are undertaken.

Emergency Control Centres (ECC) are established and Emergency Response Vehicles (ERV) are stationed at strategic locations across Delhi & NCR which are manned round the clock to respond fast to any gas leak or emergency situation. Three more Emergency Response Vehicles are also being procured for Noida, Greater Noida, Gurugram & Rewari. Mock drills are carried out regularly to check preparedness to control emergencies.

In line with Company's HSE policy, Safety Audits and other statutory compliances are done to ensure safety in all facets of IGL's operations.

Corporate Social Responsibility

Your Company is fully conscious of its Corporate Social Responsibility (CSR). In addition to carrying forward various CSR projects started in the earlier year, many new ones were also initiated in FY 2017-18.

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

The Company realizes that good health of public transport drivers is paramount to ensure safety on the roads. Therefore, your Company is carrying forward 'IGL Swasth Saarthi' – a comprehensive health management programme for auto and taxi drivers in Delhi and NCR, wherein a series of comprehensive Health check-up camps and Non Communicable Diseases (NCD) camps are being organized at various CNG stations, through a leading hospital. Scaling this programme further, your Company also launched a web portal for this programme through which these drivers who have visited the health camps can see their health records at anytime. Further, a group accident insurance cover is being provided to all drivers of CNG run public transport in the region under 'IGL Suraksha Yojna'.

Building Bonds through Gender Sensitization is one of the key CSR programme of your Company. It is a training programme for taxi, bus and auto drivers in Delhi & NCR thus making commuting in public transport safer for the women.

Your Company is also laying emphasis on initiatives aimed at empowerment of women especially young girls. This year also, self-defence training has been provided to girl students of government schools through an NGO. Special training on sewing machine operatorship has been provided to rural women in the region to empower them to earn on their own.

The Company has been supporting meritorious students from under-privileged strata of society for specialized coaching for engineering entrance examination, through a



Promoting fuel conservation in the district, Shri Vinay Pratap Singh, IAS, Deputy Commissioner, Gurugram along with Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited participating in the Saksham Cyclothon organized at Gurugram, Haryana.



Shri Vinay Pratap Singh, IAS, Deputy Commissioner of Gurugram launching Gender Sensitization CSR Programme at Gurugram in the presence of Shri R.K. Singh, HCS, Addl. Dy. Commissioner of Gurugram, Shri E.S. Ranganathan, Managing Director and Shri Rajiv Sikka, Director (Commercial) from Indraprastha Gas Limited.

scheme run by an NGO for the last eight years. This year, 25 meritorious but underprivileged students were supported under this programme and all of them have been able to secure admission in reputed engineering colleges.

Considering the ever growing demand for skilled manpower across sectors as a result of 'Make in India' programme, your Company is contributing towards Skill Development programmes for unemployed youth, in the fields of gas plumbing and welding, by providing technical oriented quality training. Your Company has set up a Gas Plumbing Training Centre in a government run ITI and is running a special module for students from government run ITIs to provide them specialised skills related to gas plumbing.

Your Company is also running another skill development programme for underprivileged youth in the fields of gas plumbing, repair of mobile phones & other home appliances, CCTV installation and beauty therapist through NGOs.

The Company is one of the stakeholders of Road Safety Cell of Delhi Traffic Police and actively supports all Road Safety Campaigns of Delhi Traffic Police.

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

Your company has received following awards for its CSR activities:

1. Award in the Category of "CSR/ Environment Protection and Conservation" at India Pride Awards 2017-18 organized by Dainik Bhaskar Group in New Delhi.
2. CSR Leadership Awards under the categories of Women Empowerment and Innovations in CSR practices during World CSR Day Congress in Mumbai.
3. Award for its Gender Sensitization programme at 4th CSR Impact Awards 2017 under the category of Women Empowerment in Gurugram.
4. CSR Community Initiative Awards 2018 for IGL Swasth Saarthi Programme and for Self Defence Training Programme at CSR Leadership Summit in New Delhi.
5. Award in the categories of 'Women Empowerment' and 'Innovations in CSR practices' at 8th Asia's Best CSR Practices Awards in Singapore.
6. Award in the field of Healthcare for IGL Swasth Saarthi Programme at National CSR Summit & Awards in New Delhi.

Directors Responsibility Statement

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

(i) In the preparation of Annual Accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed;



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited receiving India Pride Awards 2017-18 for Excellence in CSR/ Environment Protection & Conservation from Shri Dharmendra Pradhan, Hon'ble Minister for Petroleum & Natural Gas; Skill Development & Entrepreneurship, Government of India and Shri Shivraj Singh Chauhan, Hon'ble Chief Minister of Madhya Pradesh.



Shri Rajiv Sikka, Director (Commercial), Indraprastha Gas Limited welcoming Dr. Harshvardhan, Hon'ble Minister of Science & Technology; Environment, Forest & Climate Change and Earth Sciences, Government of India in IGL's stall during World Environment Day celebrations 2018 in New Delhi.

(ii) they have selected such accounting policies and applied them consistently except where otherwise stated in the Notes to Accounts and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) They have prepared the Annual Accounts for the Financial Year ended March 31, 2018 on a going concern basis;

(v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

Shri S. S. Rao, Prof. V. Ranganathan and Shri Santosh Kumar Bajpai, ceased to be Directors of the Company w.e.f. September 12, 2017. Thereafter, they were re-appointed as Independent Directors for the second term from October 16, 2017 to October 15, 2018.

Shri Raghu Nayyar and Dr. Sudha Sharma were re-appointed as Additional and Independent Directors for the second term from March 20, 2018 to March 19, 2019. The proposal for re-appointment of Shri Raghu Nayyar and Dr. Sudha Sharma as Independent Directors of the Company is being placed before the shareholders for approval in the ensuing Annual General Meeting of the Company.

Shri Rajiv Sikka, nominee of Bharat Petroleum Corporation Limited (BPCL), was appointed as Director (Commercial) in place of Shri V. Nagarajan w.e.f. May 25, 2018.

Shri S. Bairagi, nominee of Gail (India) Limited (GAIL), was appointed as an Additional Director of the Company in place of Shri Manoj Jain w.e.f. July 6, 2018.

The Board takes this opportunity to place on record its appreciation for valuable contribution made by Shri V. Nagarajan and Shri Manoj Jain during their tenure as the Directors of the Company.

In terms of Section 152 of the Companies Act, 2013, Shri Ramesh Srinivasan, Chairman of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as the "Listing Regulations").



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited and Shri V. Nagarajan, then Director (Commercial) Indraprastha Gas Limited presenting dividend cheque for FY 2016-17 to Shri. Anil Baijal, Hon'ble Lieutenant Governor of NCT of Delhi, in presence of senior IGL officials.

The details of programmes for familiarization of Independent Directors with the Company are put up on the website of the Company:-

(http://www.iglonline.net//english/5000_media/Investor_Relations/Familiarization-Programmes-for-Independent-Directors.pdf).

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

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

Corporate Governance

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

Business Responsibility Report

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

Deposits

During the financial year 2017-18, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments

During the year 2017-18, your Company has not granted loans nor given guarantee nor made any investments.

Amount Which the Company Proposes to Carry to any Reserves, if any

For the year 2017-18, your Company has not transferred any amount to the general reserve of the Company.

Number of Meetings of the Board and Audit Committee

The details of the number of meetings of the Board and Audit Committee held during the financial year ended March 31, 2018 and composition of Audit Committee are given in Corporate Governance Report.

Related Party Transactions

Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions has been disclosed



Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited presenting dividend cheque for FY 2016-17 to Shri B.C. Tripathi, Chairman & Managing Director, GAIL (India) Ltd in the presence of Shri V. Nagarajan, then Director (Commercial), Indraprastha Gas Limited and senior officials from IGL and GAIL.

on the website of the Company at: - *http://www.iglonline.net/english/5000_media/About_us/Related-Party-Policy.pdf.*

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

Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC). During the financial year 2017-18, no complaint with allegation of sexual harassment was received by the Company.

Risk Management and Internal Financial Control Adequacy

Your Company has Risk Management System in place including the Risk Policy & identification of the Risks which are reviewed periodically.

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

Vigil Mechanism

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

Statutory Auditors

In exercise of powers conferred by Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) vide its letter dated August 1, 2018 has appointed M/s Walker Chandiok & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for the financial year 2018-19.

The Notes on financial statements referred to in the Auditors' Report for FY 2017-18 of M/s Walker Chandiok & Co, Chartered Accountants are self-explanatory and do not call for any further comments.

Review and Comments of CAG, on Standalone and Consolidated financial statements for the financial year 2017-18 form part of financial statements of the Company.

Cost Auditors

Your Company had appointed M/s Chandra Wadhwa & Co., New Delhi as Cost Auditors for the financial year 2017-18.

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

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, your Company had appointed M/s V. K. Sharma & Co., Practicing Company Secretaries, Noida, as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2017-18. The Report of Secretarial Auditor for the financial year 2017-18 is appended as Annexure 3 to this report.

Disclosures Regarding Remuneration

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

Extract of Annual Return

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

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

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

Acknowledgements

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

Your Directors acknowledge wise counsel received from Statutory Auditors and CAG and are grateful for their support.

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

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

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

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

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

Sd/-
Rajiv Sikka
Director (Commercial)

Sd/-
E. S. Ranganathan
Managing Director

Place : New Delhi
Date : August 10, 2018



Shri S. Ramesh, Chairman, Indraprastha Gas Limited presenting dividend cheque for FY 2016-17 to Shri D. Rajkumar, Chairman & Managing Director, Bharat Petroleum Corporation Limited in the presence of Shri E.S. Ranganathan, Managing Director, Indraprastha Gas Limited, Shri V. Nagarajan, then Director (Commercial), Indraprastha Gas Limited and senior IGL and BPCL officials.

ANNEXURE 1

Form No. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

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

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

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

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

Part "B": Associates and Joint Ventures

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

S. No	Name of Associates or Joint Ventures	Central UP Gas Limited (CUGL)	Maharashtra Natural Gas Limited (MNGL)
1.	**Latest Balance Sheet Date**	31.03.2018 (Audited)	31.03.2018 (Unaudited)
2.	**Date on which Associate or Joint Ventures was associated or acquired**	21.06.2013	26.03.2015
3.	**Shares of Associate or Joint Ventures held by the company on the year end**		
	i. No.	30000000	50000000
	ii. Amount of Investment in Associates or Joint Ventures	Rs. 68.12 Crores	Rs. 190.00 Crores
	iii. Extend of Holding (in percentage)	50%	50%

S. No	Name of Associates or Joint Ventures	Central UP Gas Limited (CUGL)	Maharashtra Natural Gas Limited (MNGL)
4.	**Description of how there is significant influence**	Holding 50% (Equity shares)	Holding 50% (Equity shares)
5.	**Reason why the associate is not consolidated**	Consolidated	Consolidated
6.	**Net worth attributable to shareholding as per latest Balance Sheet**	Rs. 240.72 Crores	Rs. 419.39 Crores
7.	**Profit / Loss for the year**		
	i. Considered in Consolidation	Rs. 22.91 Crores	Rs. 48.88 Crores
	ii. Not Considered in Consolidation	Rs. 22.91 Crores	Rs. 48.88 Crores

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

Sd/-
E.S. Ranganathan
Managing Director

Sd/-
Rajiv Sikka
Director (Commercial)

Sd/-
S.K. Jain
Company Secretary

Sd/-
Rakesh Chawla
Chief Financial Officer

Place: New Delhi
Date : August 10, 2018

ANNEXURE 2

Annual Report on CSR activities for the financial year 2017-18

1. Outline of CSR Policy

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

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

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

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

Shri Santosh Kumar – Chairman

Shri Raghu Nayyar - Member

Shri E. S. Ranganathan – Member

Shri V. Nagarajan - Member

3. Average Net Profit of the company in the last three financial years – Rs. 714.87 Crores.

4. Prescribed CSR expenditure (2% of the amount mentioned in 3 above) – Rs. 14.30 Crores

5. a) Total Amount to be spent in the financial year : Rs. 14.30 Crores

b) Amount spent: Rs. 11.60 Crores

c) Amount unspent: Rs. 2.70 Crores

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)** **1) Direct expenditure on projects or programs** **2) Overheads**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
1	**IGL Suraksha Yojana**	Eradicating poverty (Jul'17 – Jul'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	15.49	15.49	15.49	Direct
2	**IGL Swasth Saarthi**	Promoting Healthcare including Preventive Healthcare (Mar'17 – Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	236	(1) 214.9 (2) 0.25	229.3	Direct

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
					1) Direct expenditure on projects or programs		
					2) Overheads		
3	**Building Bonds through Gender Sensitization for Auto & Taxi drivers in Delhi, Noida & Ghaziabad**	Vocational Skills (Mar'17 – Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	288.17	150.20	245.4	Manas Foundation
4	**Upbringing of vulnerable children through enabling women via livelihood**	Empowerment of women and underprivileged (Jun'16-Jun'17)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	31.40	2.27	27.3	SOS Children's Village
5	**Upbringing of vulnerable children through enabling women via livelihood**	(Jun'17- Jun'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	53.80	43.04	43.04	SOS Children's Village
6	**Construction of 15 Toilet Complexes at key locations in EDMC Area**	Promoting Sanitation under Swatch Bharat Abhiyan (Apr'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	184.21	70.19	70.19	East Delhi Municipal Corporation (EDMC)
7	**Procurement of Sanitation kits for Sanitation staff of EDMC**	Promoting health & hygiene (Apr'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	11.81	8.61	8.61	East Delhi Municipal Corporation (EDMC)
8	**Engagement with NDMC for sanitation facilities in Sanjay Camp area as part of Swachh Bharat Abhiyan**	Promoting Sanitation, Health & Hygiene (July'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	49.58	37.18	37.18	New Delhi Municipal Council (NDMC)
9	**Road Safety Summer Camp for students by Delhi Traffic Police**	Promoting Education through Delhi Traffic Police (May'17-Jun'17)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	10.81	10.37	10.37	Direct

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
					1) Direct expenditure on projects or programs		
					2) Overheads		
10	**Sponsorship of underprivileged students for Engineering Entrance exams coaching**	Promoting Education (Aug'16 – May'17)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	1.80	1.80	1.80	Centre for Social Responsibility & Leadership
11	**Sponsorship of underprivileged students for Engineering Entrance exams coaching**	(Jul'17-May'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	62.50	56.25	56.25	Centre for Social Responsibility & Leadership
12	**Skill development training of Delhi Govt. run ITI students at Gas Plumbing at ITI, Arab ki Sarai**	Education & employment enhancing vocational skills (Nov'16 – Nov'17)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	2.25	2.25	2.25	Centre for Fire & Safety Management & Training
13	**Skill development training of Delhi Govt. run ITI students at Gas Plumbing at ITI, Arab ki Sarai**	(Nov'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	5.78	5.78	5.78	Social Economic and Versatile Welfare Association
14	**School sanitation and behavioural change communication at four Govt. schools in Noida**	Promoting Sanitation, Health & Hygiene	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	33.77	0	31.07	Charities Aid Foundation
15	**Construction and redevelopment of toilets in Schools run by Directorate of Education, Govt. of NCT of Delhi**	Promoting Sanitation	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	43.14	8.75	39.77	Sulabh International

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
					1) Direct expenditure on projects or programs		
					2) Overheads		
16	**Girl Child Education in MCD schools under North Delhi Municipal Corporation**	Promoting Education (Jan'17 – Apr'17)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	25.02	8.63	25.02	Society for Natural Resource Management and Community Development
17	**Sewing Machine Operator Training programme for rural women of Noida & Greater Noida**	Women Empowerment and Employment enhancing vocational skills	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	10.86	7.27	10.86	Amity Humanity Foundation
18	**Municipal Schools based Library Program at 100 MCD run schools of Delhi**	Promoting Education (Mar'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	62.17	37.30	62.17	Pratham Delhi Education Initiative Trust
19	**Preventive eye care for the underprivileged communities of NCR region**	Promoting Healthcare including Preventive Healthcare (Mar'17-Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	47.28	20.55	34.70	Ishwar Charitable Trust
20	**School Support programme at a MCD run school at Mukundpur, Delhi**	Promoting Education (Mar'17 – Mar'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	48	19.20	43.20	Khushii – Kinship for Humanitarian Social & Holistic Intervention
21	**Empowering Women through Skill Development Programme, as a pilot project**	Women Empowerment and Employment enhancing vocational skills	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	23.51	23.51	23.51	Society for Natural Resource Management and Community Development
22	**All Round School Improvement in School Education programme at 15 South Delhi Municipal Corporation (SDMC) schools**	Promoting Education (Jul'17- Jun'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	74.89	37.80	37.80	ASPIRE

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
					1) Direct expenditure on projects or programs		
					2) Overheads		
23	**Self Defence training to 12000 school girls from 20 Govt. Schools**	Promoting Women & Girl Child Empowerment	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	85.51	85.51	85.51	Asheray Welfare & Charitable Society
24	**Distribution of aids and artificial limbs to differently abled people**	Promoting welfare of differently abled (Aug'17- Aug'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	74.94	56.20	56.20	Artificial Limbs Manufacturing Corporation of India (ALIMCO)
25	**Provision of medical equipments at Rajdhani Charitable Hospital**	Promoting health	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad	46.20	46.20	46.20	Mahavir International
26	**Monitoring & Evaluation of CSR programmes**	Monitoring & Evaluation (Feb'17- Jan'18)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	25.01	21.39	25.01	SR Asia
27	**Monitoring & Evaluation of CSR programmes**	(Feb'18 - Jan'20)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	2.36	2.36	2.36	Goodera
28	**Generating sustainable livelihood opportunities through Skill Development program**	Education & employment enhancing vocational skills	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	5.48	5.48	5.48	National Yuva Cooperative Society
29	**Providing skill development training to Persons with Disabilities**	Promoting employment enhancing vocational skills for differently abled people (Dec'17 – Apr'18)	Local area i.e., Delhi, NCR (Greater Noida, Ghaziabad) & Rewari	139.14	21.94	21.94	National Handicapped Finance and Development Corporation (NHFDC)

1	2	3	4	5	6	7	8
S. No	**CSR Project or activity identified**	**Project description**	**Projects or programs 1) Local area or other 2) Specify the state or district where projects or programs were undertaken**	**Amount outlay (budget) project or programme wise (Rs. in Lacs)**	**Amount spent on projects or programs in 2017-18 as on 31st March 2018 (Rs. in Lacs)**	**Cumulative expenditure up to 31st March 2018 (Rs. in Lacs)**	**Project Implemented: Direct or through implementing agency**
					1) Direct expenditure on projects or programs		
					2) Overheads		
30	**Provision of RO drinking water facilities at 4 Govt. Schools**	Promoting Health & Hygiene	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	15.94	7.97	15.94	Buddha Education Foundation
31	**Education of underprivileged rural children**	Education & employment enhancing vocational skills	Outside Local area in the southern state of India	15	15	15	United Way of Mumbai
32	**Project IGL Roshni – Preventive eye care for school children in Delhi**	Preventive Health Care (Jan'18 – Jan'19)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	34.28	6.80	6.80	Netram Eye Foundation
33	**Road Safety Awareness Campaign by Delhi Traffic Police**	Promoting Education through Delhi Traffic Police	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	9.27	9.27	9.27	Direct
34	**Painting on catch barriers of elevated roads through Ghaziabad Development Authority**	Promoting Social Messages of Government	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	20	20	20	Ghaziabad Development Authority
35	**Distribution of kits of Value Education to school children of Kendriya Vidyalayas in Delhi**	Promoting Education	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	15	15	15	Glory of India Trust
36	**Scholarship to underprivileged B.Tech students from Indraprastha Institute of Information Technology (IIIT-D)**	Promoting Education (Mar'18 – Mar'19)	Local area i.e., Delhi & NCR (Noida, Greater Noida & Ghaziabad)	65	65	65	Indraprastha Institute of Information Technology (IIIT-D)
TOTAL (Rs. in Crores)				**18.75**	**11.60**	**14.51**	

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

In line with the Board approved CSR Policy, in addition to the ongoing CSR projects from previous FY 2016-17, a large number of new CSR projects had been identified and initiated in FY 2017-18. IGL has been consistently scaling up its CSR spent every year. The amount spent and utilised in FY 2017-18 on CSR projects amounting to Rs. 11.60 Crores was 78% more than the amount spent in FY 2016-17.

The overall budget for CSR initiatives undertaken in 2017-18 was Rs. 18.75 Crores, which was more than the prescribed CSR expenditure of Rs. 14.30 Crores. However, since the span of execution of activities under many CSR programmes are spread over the financial year, many implementing partners tend to utilise the funds in the next financial year. Therefore, funds for few programmes initiated in FY 2017-18 would be released and utilised in FY 2018-19 as well.

Many new CSR Projects have already been identified for FY 2018-19, for which approvals have already been taken and work has been initiated. In addition, the successful CSR projects of FY 2017-18, like Gender sensitisation, Swasth Saarthi, coaching for engineering entrance examination and Self Defence training for school girls etc. are being scaled up in FY 2018-19 after analysing their impact. In future also, all the projects would be ramped up in the subsequent years after gauging impact of these initiatives through impact assessment studies.

7. CSR Committee Responsibility Statement

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

Sd/-
E.S. Ranganathan
Managing Director

Sd/-
Santosh Kumar
Chairman, CSR Committee

Place: New Delhi
Date: August 10, 2018

ANNEXURE 3

Form No. MR-3

Secretarial Audit Report
For The Financial Year Ended 31.03.2018

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

Secretarial Audit Report

For The Financial Year Ended 31.03.2018

To,
The Members,
Indraprastha Gas Limited

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

Based on our verification of the Indraprastha Gas Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indraprastha Gas Limited ("the Company") for the financial year ended on 31.03.2018 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) And other applicable laws which in our opinion were applicable to the Company i.e. The Petroleum and Natural Gas Regulatory Board Act, 2006, The Petroleum Act, 1934 and Explosives Act, 1884.

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

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent they were applicable. The Company has incurred an expenditure of Rs. 11.60 Crores (Previous year Rs. 6.52 Crores) on Corporate Social Responsibility activity specified under the provisions of the Companies Act, 2013 as against the required spend of Rs. 14.30 Crores (Previous year Rs. 12.17 Crores).

We further report that-

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

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

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

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

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

Place: Noida
Date: August 10, 2018

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

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

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

ANNEXURE A

To,
The Members,
Indraprastha Gas Limited

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

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

Place: Noida
Date: August 10, 2018

for V. K. Sharma & Co.
Company Secretaries

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

ANNEXURE 4

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

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18;

S. No	Name of Director (Executive)	Director's Remuneration (Rs. In lacs)*	Employee Median Remuneration (Rs. In lacs)	Ratio
1	Shri E. S. Ranganathan, Managing Director	68.13	13.47	5.06:1
2	Shri V. Nagarajan, Director (Commercial)	74.86	13.47	5.56:1

* Excluding commission on profit payable to parent organisations.

Notes:

Ratio of remuneration is not considered for non-executive directors.

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

S. No	Name of Director and KMP	% increase in remuneration
1	Shri V. Nagarajan, Director (Commercial)	43.40%
2	Shri Rajesh Agrawal, Chief Financial Officer	20.98%
3	Shri S. K. Jain, Company Secretary	23.71%

The percentage increase in remuneration of Shri E.S.Ranganathan, Managing Director has not been given for FY 2017-18 as the same is not comparable with the previous year due to his joining on June 1, 2016.

c. In the financial year 2017-18, there was an increase of 20.24% in the median remuneration of employees

d. The number of permanent employees on the rolls of company as on March 31, 2018 was 622. The Company has maintained peaceful and harmonious relations with all its employees.

e. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 20.76% whereas the increase in salary of Director (Commercial) was 43.40%.

f. Details of top ten employees in terms of remuneration drawn for the financial year 2017-18 are as under:

Name	Designation	Remuneration (Rs.)	Qualification	Experience (years)	Joining Date	Age (years)	Last employment
Shri Ashim Batra	Sr. Vice President – PNG Project and O&M	87,14,493	BE, MBA(Mktg.)	34	23.06.2003	56	Vietrans Pvt. Ltd.
Shri Rajesh Agrawal	CFO	84,72,431	CA,CS	35	16.01.2006	60	IBP Company Limited
Shri Manjeet Singh	Sr. Vice President – Project Engineering Services & JV Co-ord	75,54,634	B.Tech, PGDM(Mktg.)	33	27.09.2006	56	Bharat Petroleum Corp. Limited
Shri Praveen Kumar Pandey	Vice President – Marketing	74,02,392	BE(Mech)	33	02.01.2006	55	Sriram Fertilizer & Chemicals Limited
Shri Sudhanshu Pant	Vice President – CNG Projects	62,93,986	BE(Mech)	34	02.12.2003	57	TIL Limited
Shri Navnit Chandra Mangla	Chief Gen. Manager – ERP IT & HR	59,94,272	BE(Mech)	31	31.05.2004	53	JCB India Limited
Shri Ajai Tyagi	Vice President – PNG Project and O&M	58,64,491	B.Tech (Electrical)	28	23.06.2003	49	India Glycols Limited
Shri Sunil Kumar Jain	Company Secretary	57,52,035	CS, CMA, LLB	29	18.06.2004	53	Maharashtra Seamless Ltd.
Shri Vinod Kumar Dhaaka	Chief Gen. Manager – Corporate Strategy	56,92,763	MBA (Marketing)	29	24.11.2003	54	LG Polymers Pvt. Ltd.
Shri Raman Kumar Srivastava	Chief Gen. Manager – Instrumentation & Automation	55,60,700	B.E (Electronics)	26	26.12.2007	47	DCM Sriram Consolidated Limited

NOTES:

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

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

ANNEXURE 5

Form No. MGT-9

Extract of Annual Return
as on the financial year ended on 31.03.2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and Other Details:

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

II. Principal Business Atividies of the Company:

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

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

III. Particulars of Holding, Subsidiary and Associate Companies

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

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

(i) Category - Wise Shareholding

Category Code	Category of Share-Holder	No. of Shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change During the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**Promoter and Promoter Group**									
(1)	**INDIAN**									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0
(c)	Bodies Corporate	63000080	0	63000080	45.00	315000400	0	315000400	45.00	0
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0
(e)	Others	0	0	0	0.00	0	0	0	0.00	0
	Sub-Total A(1) :	**63000080**	**0**	**63000080**	**45.00**	**315000400**	**0**	**315000400**	**45.00**	**0**
(2)	**Foreign**									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0
(e)	Others	0	0	0	0.00	0	0	0	0.00	0
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**
	Total A=A(1)+A(2)	**63000080**	**0**	**63000080**	**45.00**	**315000400**	**0**	**315000400**	**45.00**	**0**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds /UTI	14411072	0	14411072	10.29	62936703	0	62936703	8.99	-1.30
(b)	Financial Institutions / Banks	983717	0	983717	0.70	6408886	0	6408886	0.92	0.22
(c)	Central Government / State Government(s)	0	7000000	7000000	5.00	0	35000000	35000000	5.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	4549405	0	4549405	3.25	43691582	0	43691582	6.24	2.99
(f)	Foreign Institutional Investors	34649428	0	34649428	24.75	149142014	0	149142014	21.30	-3.45
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others - Foreign National	300	0	300	0.00	1500	0	1500	0.00	0.00
	Sub-Total B(1) :	54593922	7000000	61593922	44.00	**262180685**	**35000000**	**297180685**	**42.45**	-1.55

(i) Category - Wise Shareholding

Category Code	Category of Share-Holder	No. of Shares held at the beginning of the year 01/04/2017				No. of shares held at the end of the year 31/03/2018				% Change During the Year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	**Non-Institutions**									
(a)	Bodies Corporate	7149113	0	7149113	5.11	42322748	0	42322748	6.05	0.94
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	6462602	17438	6480040	4.63	36664688	81788	36746476	5.25	0.62
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	892789	0	892789	0.64	4545339	0	4545339	0.65	0.01
(c)	Others									
	Clearing Members	548622	0	548622	0.39	2074365	0	2074365	0.30	-0.08
	IEPF	0	0	0	0.00	68650	0	68650	0.01	0.01
	Non Resident Indians	252886	0	252886	0.18	1238618	0	1238618	0.18	0.00
	NRI Non-Repatriation	65237	0	65237	0.05	455219	0	455219	0.06	0.01
	Trusts	1771	0	1771	0.00	41980	0	41980	0.00	0.00
	NBFC registered with RBI	15700	0	15700	0.01	75070	0	75070	0.01	0.00
	Alternative Investment Fund	0	0	0	0.00	251250	0	251250	0.04	0.04
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**15388720**	**17438**	**15406158**	**11.00**	**87737927**	**81788**	**87819715**	**12.55**	**1.55**
	Total B=B(1)+B(2) :	**69982642**	**7017438**	**77000080**	**55.00**	**349918612**	**35081788**	**385000400**	**55.00**	**0.00**
	Total (A+B) :	**132982722**	**7017438**	**140000160**	**100.00**	**664919012**	**35081788**	**700000800**	**100.00**	**0.00**
(C)	**Shares held by custodians, against which Depository Receipts have been issued**									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**132982722**	**7017438**	**140000160**	**100.00**	**664919012**	**35081788**	**700000800**	**100.00**	

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change During the year
		No. of Shares	% of Total Shares	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of Total Shares	% of Shares Pledged/ encumbered to total shares	
1	Bharat Petroleum Corporation Ltd.	3,15,00,080	22.5	0	15,75,00,400*	22.5	0	Nil
2	GAIL (India) Ltd.	3,15,00,000	22.5	0	15,75,00,000*	22.5	0	Nil
	Total		**45**	**0**		**45**	**0**	

*Shareholders of the Company approved in the AGM held on September 28, 2017, for subdivision of one equity share of face value of Rs. 10 each into five equity shares of face value of Rs. 2 each.

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

There is no change in Promoters' Shareholding

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Increase/ (Decrease) in share holding		No of Shares	% of total shares of the company
1	GOVT OF NCT OF DELHI	7000000	5.00	01/04/2017			7000000	5.00
				31/03/2018			35000000	5.00
2	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED* (IN30016710142910)	0	0.00	01/04/2017			0	0.00
				26/05/2017	1830585	Transfer	1830585	1.31
				09/06/2017	300	Transfer	1830885	1.31
				23/06/2017	-79	Transfer	1830806	1.31
				21/07/2017	-350	Transfer	1830456	1.31
				04/08/2017	10	Transfer	1830466	1.31
				11/08/2017	-220	Transfer	1830246	1.31
				18/08/2017	-24600	Transfer	1805646	1.29
				25/08/2017	950	Transfer	1806596	1.29
				01/09/2017	-100	Transfer	1806496	1.29
				08/09/2017	24750	Transfer	1831246	1.31
				15/09/2017	250	Transfer	1831496	1.31
				22/09/2017	-14955	Transfer	1816541	1.30
				29/09/2017	-200	Transfer	1816341	1.30
				06/10/2017	100000	Transfer	1916341	1.37
				20/10/2017	-901	Transfer	1915440	1.37
				03/11/2017	23178	Transfer	1938618	1.38
				10/11/2017	-150	Transfer	1938468	1.38
				17/11/2017	7754144	Transfer	9692612	1.38
				08/12/2017	-250000	Transfer	9442612	1.35
				22/12/2017	376	Transfer	9442988	1.35
				05/01/2018	-20715	Transfer	9422273	1.35
				12/01/2018	-2578	Transfer	9419695	1.35
				19/01/2018	97422	Transfer	9517117	1.36
				26/01/2018	565	Transfer	9517682	1.36
				09/02/2018	161334	Transfer	9679016	1.38
				16/02/2018	-331045	Transfer	9347971	1.34
				23/02/2018	225265	Transfer	9573236	1.37
				16/03/2018	100000	Transfer	9673236	1.38
				23/03/2018	150432	Transfer	9823668	1.40
				30/03/2018	150000	Transfer	9973668	1.42
				31/03/2018			9973668	1.42
3	MORGAN STANLEY INVESTMENT FUNDS INDIAN EQUITY FUND*	0	0.00	01/04/2017			0	0.00
				21/07/2017	1491597	Transfer	1491597	1.07
				01/09/2017	-140911	Transfer	1350686	0.96
				22/09/2017	137954	Transfer	1488640	1.06
				29/09/2017	23	Transfer	1488663	1.06
				13/10/2017	-113596	Transfer	1375067	0.98
				27/10/2017	247640	Transfer	1622707	1.16
				03/11/2017	175586	Transfer	1798293	1.28
				10/11/2017	154396	Transfer	1952689	1.39

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Increase/ (Decrease) in share holding		No of Shares	% of total shares of the company
				17/11/2017	7791005	Transfer	9743694	1.39
				01/12/2017	-1032054	Transfer	8711640	1.24
				15/12/2017	-413357	Transfer	8298283	1.19
				22/12/2017	394374	Transfer	8692657	1.24
				29/12/2017	242597	Transfer	8935254	1.28
				05/01/2018	680000	Transfer	9615254	1.37
				12/01/2018	-535377	Transfer	9079877	1.30
				02/02/2018	465402	Transfer	9545279	1.36
				09/02/2018	489679	Transfer	10034958	1.43
				16/02/2018	-352829	Transfer	9682129	1.38
				09/03/2018	-891116	Transfer	8791013	1.26
				30/03/2018	-165956	Transfer	8625057	1.23
				31/03/2018			8625057	1.23
4	FIDELITY	0	0.00	01/04/2017			0	0.00
	INVESTMENT			19/05/2017	412486	Transfer	412486	0.29
	TRUST - FIDELITY			26/05/2017	314300	Transfer	726786	0.52
	EMERGING MARKET*			02/06/2017	552008	Transfer	1278794	0.91
				07/07/2017	-13658	Transfer	1265136	0.90
				04/08/2017	-17606	Transfer	1247530	0.89
				01/09/2017	30820	Transfer	1278350	0.91
				08/09/2017	-79842	Transfer	1198508	0.86
				15/09/2017	-30494	Transfer	1168014	0.83
				31/10/2017	-74443	Transfer	1093571	0.78
				03/11/2017	-100321	Transfer	993250	0.71
				17/11/2017	3997222	Transfer	4990472	0.71
				15/12/2017	-52466	Transfer	4938006	0.71
				26/01/2018	669677	Transfer	5607683	0.80
				02/02/2018	694136	Transfer	6301819	0.90
				23/02/2018	-62694	Transfer	6239125	0.89
				16/03/2018	-60403	Transfer	6178722	0.88
				31/03/2018			6178722	0.88
5	LIFE INSURANCE	0	0.00	01/04/2017			0	0.00
	CORPORATION OF			01/09/2017	50686	Transfer	50686	0.04
	INDIA P & GS FUND*			22/09/2017	34138	Transfer	84824	0.06
				29/09/2017	51000	Transfer	135824	0.10
				06/10/2017	8768	Transfer	144592	0.10
				17/11/2017	578368	Transfer	722960	0.10
				26/01/2018	165000	Transfer	887960	0.13
				02/02/2018	200000	Transfer	1087960	0.16
				09/02/2018	540117	Transfer	1628077	0.23
				16/02/2018	500000	Transfer	2128077	0.30
				23/02/2018	94883	Transfer	2222960	0.32
				02/03/2018	100000	Transfer	2322960	0.33
				09/03/2018	331022	Transfer	2653982	0.38
				16/03/2018	581117	Transfer	3235099	0.46
				23/03/2018	836000	Transfer	4071099	0.58
				30/03/2018	408150	Transfer	4479249	0.64

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Increase/ (Decrease) in share holding		No of Shares	% of total shares of the company
				31/03/2018			4479249	0.64
6	LIFE INSURANCE CORPORATION OF INDIA	3860666	2.76	01/04/2017			3860666	2.76
				01/09/2017	93861	Transfer	3954527	2.82
				22/09/2017	65243	Transfer	4019770	2.87
				29/09/2017	158000	Transfer	4177770	2.98
				06/10/2017	136205	Transfer	4313975	3.08
				17/11/2017	17255900	Transfer	21569875	3.08
				26/01/2018	222000	Transfer	21791875	3.11
				02/02/2018	1368467	Transfer	23160342	3.31
				09/02/2018	2387403	Transfer	25547745	3.65
				16/02/2018	1022130	Transfer	26569875	3.80
				02/03/2018	536500	Transfer	27106375	3.87
				09/03/2018	1316219	Transfer	28422594	4.06
				16/03/2018	998544	Transfer	29421138	4.20
				23/03/2018	1927678	Transfer	31348816	4.48
				30/03/2018	1037397	Transfer	32386213	4.63
				31/03/2018			32386213	4.63
7	PINEBRIDGE INVESTMENTS GF MAURITIUS LIMITED#	2334882	1.67	01/04/2017			2334882	1.67
				25/08/2017	-235000	Transfer	2099882	1.50
				17/11/2017	8399528	Transfer	10499410	1.50
				24/11/2017	-271301	Transfer	10228109	1.46
				01/12/2017	-1300000	Transfer	8928109	1.28
				08/12/2017	-139087	Transfer	8789022	1.26
				15/12/2017	-245658	Transfer	8543364	1.22
				22/12/2017	-5024	Transfer	8538340	1.22
				02/02/2018	-1122899	Transfer	7415441	1.06
				09/02/2018	-148234	Transfer	7267207	1.04
				16/02/2018	-1500000	Transfer	5767207	0.82
				23/02/2018	-784798	Transfer	4982409	0.71
				02/03/2018	-650000	Transfer	4332409	0.62
				31/03/2018			4332409	0.62
8	KOTAK SELECT FOCUS FUND	2000000	1.43	01/04/2017			2000000	1.43
				12/05/2017	50000	Transfer	2050000	1.46
				19/05/2017	3099	Transfer	2053099	1.47
				26/05/2017	21901	Transfer	2075000	1.48
				30/06/2017	16436	Transfer	2091436	1.49
				07/07/2017	8564	Transfer	2100000	1.50
				17/11/2017	8400000	Transfer	10500000	1.50
				19/01/2018	300000	Transfer	10800000	1.54
				31/03/2018			10800000	1.54
9	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING	1833274	1.31	01/04/2017			1833274	1.31
				28/07/2017	-57170	Transfer	1776104	1.27
				15/09/2017	-97875	Transfer	1678229	1.20
				22/09/2017	-53799	Transfer	1624430	1.16
				29/09/2017	-54509	Transfer	1569921	1.12
				13/10/2017	-29906	Transfer	1540015	1.10
				20/10/2017	-46399	Transfer	1493616	1.07

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Increase/ (Decrease) in share holding		No of Shares	% of total shares of the company
				17/11/2017	5974464	Transfer	7468080	1.07
				15/12/2017	-412441	Transfer	7055639	1.01
				09/02/2018	-29820	Transfer	7025819	1.00
				23/02/2018	-705749	Transfer	6320070	0.90
				09/03/2018	900564	Transfer	7220634	1.03
				31/03/2018			7220634	1.03
10	HDFC STANDARD	1656693	1.18	01/04/2017			1656693	1.18
	LIFE INSURANCE			07/04/2017	75850	Transfer	1732543	1.24
	COMPANY LIMITED#			14/04/2017	-1059	Transfer	1731484	1.24
	(IN30012611179789)			21/04/2017	-100	Transfer	1731384	1.24
				28/04/2017	-699	Transfer	1730685	1.24
				12/05/2017	100	Transfer	1730785	1.24
				19/05/2017	99800	Transfer	1830585	1.31
				26/05/2017	-1830585	Transfer	0	0.00
				31/03/2018			0	0.00
11	SUNDARAM	1455757	1.04	01/04/2017			1455757	1.04
	MUTUAL FUND A/C			16/06/2017	-25000	Transfer	1430757	1.02
	SUNDARAM SELECT			23/06/2017	-200000	Transfer	1230757	0.88
	MIDCAP			07/07/2017	-115463	Transfer	1115294	0.80
				14/07/2017	-105170	Transfer	1010124	0.72
				06/10/2017	-112971	Transfer	897153	0.64
				17/11/2017	3588612	Transfer	4485765	0.64
				16/02/2018	-100000	Transfer	4385765	0.63
				31/03/2018			4385765	0.63
12	MORGAN STANLEY	1329638	0.95	01/04/2017			1329638	0.95
	INVESTMENT			19/05/2017	161959	Transfer	1491597	1.07
	HOLDING COMPANY			21/07/2017	-1491597	Transfer	0	0.00
	(MAURITIUS) LTD#			31/03/2018			0	0.00
13	MORGAN STANLEY	1066228	0.76	01/04/2017			1066228	0.76
	INDIA INVESTMENT			30/06/2017	80169	Transfer	1146397	0.82
	FUND, INC.			29/09/2017	99398	Transfer	1245795	0.89
				06/10/2017	154750	Transfer	1400545	1.00
				17/11/2017	5602180	Transfer	7002725	1.00
				08/12/2017	-556307	Transfer	6446418	0.92
				05/01/2018	-480402	Transfer	5966016	0.85
				09/02/2018	132702	Transfer	6098718	0.87
				16/02/2018	62872	Transfer	6161590	0.88
				23/02/2018	86481	Transfer	6248071	0.89
				31/03/2018			6248071	0.89
14	MORGAN STANLEY	935713	0.67	01/04/2017			935713	0.67
	MAURITIUS			07/04/2017	196438	Transfer	1132151	0.81
	COMPANY LIMITED#			21/04/2017	-2200	Transfer	1129951	0.81
				28/04/2017	-16972	Transfer	1112979	0.79
				05/05/2017	-31543	Transfer	1081436	0.77

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

Sl. No	Name of the Share Holder	Shareholding at the beginning of the year				Reason	Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	Date	Increase/ (Decrease) in share holding		No of Shares	% of total shares of the company
				12/05/2017	-146300	Transfer	935136	0.67
				19/05/2017	-16484	Transfer	918652	0.66
				26/05/2017	-25947	Transfer	892705	0.64
				02/06/2017	-156759	Transfer	735946	0.53
				09/06/2017	-107316	Transfer	628630	0.45
				07/07/2017	-2930	Transfer	625700	0.45
				14/07/2017	-19955	Transfer	605745	0.43
				28/07/2017	-10059	Transfer	595686	0.43
				04/08/2017	-14797	Transfer	580889	0.41
				29/09/2017	-53454	Transfer	527435	0.38
				06/10/2017	-88469	Transfer	438966	0.31
				20/10/2017	-398	Transfer	438568	0.31
				17/11/2017	1749258	Transfer	2187826	0.31
				01/12/2017	-214092	Transfer	1973734	0.28
				08/12/2017	-11485	Transfer	1962249	0.28
				15/12/2017	-849241	Transfer	1113008	0.16
				22/12/2017	-122935	Transfer	990073	0.14
				05/01/2018	-50128	Transfer	939945	0.13
				12/01/2018	-74511	Transfer	865434	0.12
				19/01/2018	-172567	Transfer	692867	0.10
				16/02/2018	-14171	Transfer	678696	0.10
				02/03/2018	-9082	Transfer	669614	0.10
				09/03/2018	-64051	Transfer	605563	0.09
				31/03/2018			605563	0.09

*Not in the list of Top 10 shareholders as on 01-04-2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2018.

#Ceased to be in the list of Top 10 shareholders as on 31-03-2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2017.

(iv) Shareholding of Directors and Key Managerial Personnel:

Shri E. S. Ranganathan, Managing Director holds 500 shares in the Company as on March 31, 2018. Except Shri E. S. Ranganathan, none of the Directors and Key Managerial Personnel are holding equity shares in the Company as on March 31, 2018.

V. Indebtedness

INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31.03.18

(Rs. in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	**-**	**-**	**-**	**-**
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**0.00**	**-**	**-**	**0.00**

VI. Remuneration of Directors and Key Managerial Personnel

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

(Rs. in Lakhs)

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri E S Ranganathan	Shri V. Nagarajan	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	62.74	58.06	120.8
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	3.46	7.65	11.11
	(c) Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	7.5*	7.5*	15*
	- others, specify....			
5	Others (Retirement benefits and reimbursements)	1.93	9.15	11.08
	Total (A)	**75.63**	**82.36**	**157.99**
	Ceiling as per the Act**			

*Payable to Parent Organizations

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

b. Remuneration to other directors:

(Rs.)

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Shri S. S. Rao	**Shri Santosh Kumar Bajpai**	**Prof. V. Ranganathan**	**Shri Raghu Nayyar**	**Dr. Sudha Sharma**	
1	Independent Directors						
	Fee for attending board / committee meetings	680,000	630,000	405,000	410,000	375,000	25,00,000
	Commission	680,137	680,137	680,137	750,000	750,000	35,40,411
	Others, please specify	-	-	-	-	-	
	Total (1)	**1,360,137**	**1,310,137**	**1,085,137**	**1,160,000**	**1,125,000**	**60,40,411**
2	Other Non-Executive Directors	**Shri S. Ramesh**	**Shri Manoj Jain**	**Shri Vikram Dev Dutt**	**Smt. Varsha Joshi**		
	Fee for attending board/ committee meetings	180,000	300,000	-	-		480,000
	Commission	750,000	750,000	125,342	624,658		22,50,000
	Others, please specify	-	-	-	-		
	Total (2)	**930,000***	**1,050,000***	**125,342***	**624,658***		**27,30,000**
	Total (B)=(1+2)						**87,70,411**
Ceiling as per the Act**							

* Payable to parent organizations.

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

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

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		CS	**CFO**	**Total**
1	Gross salary	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,57,115	82,64,567	1,33,21,682
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	20,600	14,437	35,037
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify – Benefits	6,74,320	1,93,427	8,67,747
	Total	**57,52,035**	**84,72,431**	**1,42,24,466**

VII. Penalties / Punishment/ Compounding of Offences:

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

ANNEXURE 6

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

A. Conservation of Energy

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

- Conventional light fittings on all IGL CNG stations are being replaced by energy efficient LED fittings. The energy saving accrued on account of lighting load is to the tune of 50%.
- Additional Engine Flow meters have been installed in gas engine driven compressors, so that gas loss is controlled & reduced.
- Close loop operation of VFD in existing motorized package is under progress.
- Replacement of conventional ceiling fan by brushless DC motor based ceiling fan is under progress. Energy saving on account of ceiling fan is to the tune of 50%
- All new procurement is on the basis of energy efficient / star rated products only and same is now part of standard procurement policy.

ii. Steps taken by the Company for utilising alternate sources of energy:

Nil

iii. The capital investment on energy conservation equipment:

Nil

B. Technology Absorption

1. The efforts made towards technology Absorption;	1. Automated meter reading (AMR) system & Pre-paid metering system has been implemented for domestic and I&C customers. 2. System generated online receipt printers introduced for the first time for CNG customers. 3. Set up of master control centre and remote operation of 56 nos. Sectionalizing Valves (SV's).
2. The benefits derived like product improvement, cost reduction, product development or import Substitution;	1. Implementation of AMR system & Pre-paid metering for domestic and I&C customers resulted in following benefits thus enhancing customer satisfaction: • Timely reading collection. • Timely Billing. • No manual reading collection. • Elimination of human error in meter reading • Up-to-date consumption data for the detailed and exact billing • SMS/ email alerts in case of any abnormality. • Tamper alerts. • Remote disconnection for non- payment.

	2. Introduction of system generated online receipt printers enhanced customer satisfaction at CNG stations. The receipt comprises details of identification of dispenser, quantity sold, selling price etc. These receipts are generated by system without any manual intervention which eliminates human error. 3. Real time monitoring and control of SV's from master control centre, thus enhancing safety and enabling quick action in case of emergency. All the 56 nos. sectionalizing valves (SV's) can be opened/closed from centralized control room. Real time position of SV's i.e. open/ close status is also monitored from the control room. Apart from that pressure on downstream of SV's is also monitored to ensure safe and efficient operation.
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), - i. The details of technology imported; ii. Year of import; iii. Whether the technology been fully absorbed; iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.
The expenditure incurred on Research and Development	No direct expenditure

C. Foreign Exchange Earning and Outgo

Total foreign exchanged used & earned:

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

(Rs. in Crores)

Foreign Exchange Earned	0
Foreign Exchange Used	9.80

Report on Corporate Governance

I. Company's Philosophy on Corporate Governance

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

(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;

(d) To ensure that the employees of the Company subscribe to the corporate values and apply them in their conduct.

II. Board of Directors

Composition:

As on March 31, 2018, the Board of the Company consists of 10 (ten) Directors comprising 2 (two) Executive Directors namely Managing Director and Director (Commercial) and 8 (eight) Non-Executive Directors.

The composition and category of Directors alongwith other Directorships or Memberships in Board Committees as on March 31, 2018:

Name of Directors	Category	Directorships in other Public Limited Companies (*)	Membership in Committees of Board of other Companies#	Chairmanship in Committees of Board of other Companies#
Shri S. Ramesh (Chairman)	Non-Executive	1	Nil	Nil
Shri E. S. Ranganathan (Managing Director)	Executive	1	1	Nil
Shri V. Nagarajan Director (Commercial)	Executive	1	Nil	Nil
Shri Manoj Jain	Non-Executive	1	Nil	Nil
Smt. Varsha Joshi	Non-Executive	9	Nil	Nil
Shri S. S. Rao	Non-Executive, Independent	Nil	Nil	Nil
Shri Santosh Kumar Bajpai	Non-Executive, Independent	1	1	Nil
Prof. V. Ranganathan	Non-Executive, Independent	Nil	Nil	Nil
Shri Raghu Nayyar	Non-Executive, Independent	Nil	Nil	Nil
Dr. Sudha Sharma	Non-Executive, Independent	Nil	Nil	Nil

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

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

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

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

During the Financial Year ended March 31, 2018, eight Board Meetings were held on April 27, 2017, May 27, 2017, June 24 & 25, 2017, August 11, 2017, October 10, 2017, November 9, 2017, February 7, 2018 and March 21, 2018 . The last Annual General Meeting was held on September 28, 2017.

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

Name of Directors	No. of Meetings Attended	Attendance* (% thereof)	Attendance at Last AGM
Shri S. Ramesh (Chairman)	6	75	Present
Shri E. S. Ranganathan (Managing Director)	8	100	Present
Shri V. Nagarajan Director (Commercial)	8	100	Present
Shri Manoj Jain	5	63	Present
Sh. Vikram Dev Dutt**	0	0	NA
Smt. Varsha Joshi***	0	0	Absent
Shri S. S. Rao^	6	86	NA
Prof. V. Ranganathan^	6	86	NA
Shri Santosh Kumar Bajpai^	6	86	NA
Dr. Sudha Sharma	5	63	Present
Shri Raghu Nayyar	7	88	Present

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

** Sh. Vikram Dev Dutt ceased to be Director w.e.f. June 1, 2017.

*** Smt. Varsha Joshi joined as Director w.e.f. June 1, 2017.

^ Shri S. S. Rao, Prof. V. Ranganathan & Shri Santosh Kumar Bajpai ceased to be Director w.e.f. September 12, 2017. They were reappointed as Directors w.e.f. October 16, 2017.

Brief details of familiarization programmes of Independent Directors are uploaded on the website of the Company - *http://iglonline.net/Documents/Familiarization-Programmes-for-Independent-Directors.pdf*

Code of Conduct

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

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

III. Audit Committee

Composition:

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

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

The constitution of the Audit Committee as on March 31, 2018: -

1)	Shri S. S. Rao*	:	Chairman, Independent, Non-Executive.
2)	Prof. V. Ranganathan#	:	Member, Independent, Non-Executive.
3)	Shri Manoj Jain	:	Member, Non-Executive.
4)	Dr. Sudha Sharma	:	Member, Independent, Non-Executive.

*Shri S. S. Rao ceased to be a chairman of Audit Committee w.e.f. September 12, 2017. Board of Directors of the Company has re-appointed him as Chairman of Audit Committee w.e.f. October 16, 2017.

#Shri V. Ranganathan ceased to be a member of Audit Committee w.e.f. September 12, 2017. Board of Directors of the Company has re-appointed him as member of Audit Committee w.e.f. October 16, 2017.

Terms of Reference:

The Term of reference of Audit Committee for the financial year ended March 31, 2018 includes overseeing the audit functions, review of Company's financial performance, review critical findings of Internal Audit, compliance with the Accounting Standards, approval or any subsequent modification of transactions of the Company with the related parties, evaluation of internal financial controls and risk management systems & all other matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in Section 177 of the Companies Act, 2013.

Meetings and Attendance:

During the financial year ended March 31, 2018, six Audit Committee Meetings were held on May 27, 2017, August 11, 2017, October 31, 2017, November 9, 2017, February 07, 2018 & March 21, 2018.

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

Name of Members	No. of Meetings Attended
Shri S. S. Rao	5
Prof. V. Ranganathan	5
Shri Manoj Jain	4
Dr. Sudha Sharma	5

IV Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises of three Non-Executive Directors. The Chairman of the Committee is a Non-Executive Independent Director. The Company Secretary acts as a Secretary to the Committee.

The constitution of the Nomination and Remuneration Committee as on March 31, 2018: -

1)	Dr. Sudha Sharma	:	Chairman, Independent, Non-Executive.
2)	Shri Raghu Nayyar	:	Member, Independent, Non-Executive.
3)	Shri Manoj Jain	:	Member, Non-Executive.

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

Meetings and Attendance:

During the financial year ended March 31, 2018, four Nomination and Remuneration Committee Meetings were held on August 11, 2017, September 28, 2017, February, 07, 2018 & February 28, 2018.

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

Name of Members	No. of Meetings Attended
Prof. V. Ranganathan*	1
Shri S. S. Rao^	1
Dr. Sudha Sharma#	3
Shri. Raghu Nayyar^^	3
Shri Manoj Jain	2

*Prof. V. Ranganathan ceased to be a Chairman & member of the Nomination and Remuneration Committee w.e.f. September 12, 2017.
^ Shri S. S. Rao ceased to be a member of the Nomination and Remuneration Committee w.e.f. September 12, 2017.
# Dr. Sudha Sharma was appointed as Chairman of the Nomination and Remuneration Committee w.e.f. September 25, 2017.
^^Shri Raghu Nayyar was appointed as member of the Nomination and Remuneration Committee w.e.f. September 25, 2017.

Terms of Reference

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

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

Remuneration / Sitting Fees Paid to Directors

(a) Executive Directors:

The remuneration paid to the Executive Directors during the financial year is given below:

(Rs. in Lakhs)

S. No.	Name of Directors	Salary & Allowances	Perquisites	Contribution to PF & Other Funds	Total #
1	Shri E. S. Ranganathan	62.74	3.46	1.93	68.13
2	Shri V. Nagarajan	58.06	7.65	9.15	74.86

The aforesaid remuneration does not include Rs. 15 lakhs payable to the parent organizations viz. GAIL and BPCL of the Executive Directors as commission on profit for the financial year ended on March 31, 2018 and Executive Directors are not paid any sitting fees for attending Board/ Committee meetings.

(b) Non-Executive Directors:

Total commission on profit of Rs. 57.90 Lakhs was payable to non-executive Directors / their parent organizations for the financial year 2017-18.

Non-Executive Directors were paid sitting fees of Rs.30,000/- and Rs.25,000/- for attending each Board meeting & Committee meeting respectively. Total sitting fees paid during the financial year under review was Rs. 29.80 Lakhs.

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

Remuneration Policy

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

The Company formulated a remuneration policy for its employees in the year 2015 for the period of three years which was recommended by Nomination & Remuneration Committee and thereafter approved by the Board of Directors.

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

V. Share Transfer & Stakeholders Relationship Committee:

Composition:

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

The constitution of the Share Transfer & Stakeholders Relationship Committee as on March 31, 2018:

1)	Shri Raghu Nayyar	:	Chairman, Independent, Non-Executive
2)	Shri E. S. Ranganathan	:	Member, Executive
3)	Shri V. Nagarajan	:	Member, Executive

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

Scope & Functions of Share Transfer & Stakeholders Relationship Committee:

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

Compliance Officer:

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

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

The Company received 37 complaints during the year, which were duly attended & replied. There was no complaint pending as on March 31, 2018.

VI. General Body Meetings

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

Meeting	Date	Time	Venue	Detail of Special Resolutions Passed
16th AGM	September 22, 2015	11:30 A.M.	Manekshaw Centre, New Delhi	Nil
17th AGM	September 29, 2016	11:30 A.M.	Manekshaw Centre, New Delhi	1. Authority to the Board of Directors u/s 180(1) (c) of the Companies Act, 2013 to borrow money(s) for business purposes of the Company for an amount up to Rs. 4000 Crores. 2. Authority to the Board of Directors u/s 180(1) (a) of the Companies Act, 2013 to mortgage and/or create charge on assets of the Company for an amount up to Rs. 4000 Crores.
18th AGM	September 28, 2017	11:30 A.M.	Manekshaw Centre, New Delhi	1. Approval of amendment of Clause V of Memorandum of Association of the Company. 2. Approval of amendment of Article 3 of Articles of Association of the Company.

b. The details of Special Resolutions passed during 2017-18 through Postal Ballots are given below:

1. Postal Ballot Notice dated April 27, 2017, containing Special Resolution for increase in the aggregate limit of investment by Foreign Institutional Investors and their sub-accounts/ Registered Foreign Portfolio Investors in the equity share capital of the Company under the Portfolio/Foreign Portfolio Investment Scheme was circulated to the

members of the Company. The special resolution was accordingly passed by requisite majority, the result of which was announced on June 15, 2017.

2. Postal Ballot Notice dated October 10, 2017, containing Special Resolutions for re-appointment of Shri S. S. Rao, Prof V. Ranganathan & Shri Santosh Kumar as Independent Directors of the Company was circulated to the members of the Company. The special resolutions were accordingly passed by requisite majority, the result of which was announced on December 6, 2017.

c. Person who conducted Postal Ballot:

The Company appointed Shri V. K. Sharma, Practicing Company Secretary (C. P. No. 2019), V. K. Sharma & Co., as scrutinizer for conducting the postal ballots mentioned above and remote e-voting process in a fair and transparent manner.

Presently, there is no Special Resolution proposed to be conducted through postal ballot.

VII. Disclosures

(a) Related Party Transactions

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

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

(b) Compliances by the Company

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

(c) Whistle Blower Policy/Vigil Mechanism Policy

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

The Whistle Blower policy is available on website of the Company www.iglonline.net.

Besides Whistle Blower Policy, the Company also has separate Vigil Mechanism for the stakeholders of the Company. Chief Ethics Officer has been appointed for looking complaints under Vigil Mechanism Policy.

VIII. Means of Communication

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

For investors, the Company has created a separate e-mail ID i.e. investors@igl.co.in.

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

IX. General Shareholders Information

(a) Annual General Meeting:

The 19th Annual General Meeting of the Company is scheduled to be held on: -

Date and Time : September 26, 2018 at 11:30 A.M.
Venue : Manekshaw Centre
Parade Road,
Delhi Cantonment
New Delhi - 110010

(b) Financial Year : April 1 to March 31

(c) Financial Calendar (Tentative):

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

Quarter ending June 30, 2018 : On or before August 14, 2018
Quarter ending September 30, 2018 : On or before November 14, 2018
Quarter ending December 31, 2018 : On or before February 14, 2019
Quarter/Year ending March 31, 2019 : On or before May 30, 2019

(d) Date of Book Closure for Dividend : September 18, 2018 to September 26, 2018 (both days inclusive)

(e) Dividend Payment Date : On or after October 5, 2018

(f) Listing on Stock Exchanges:

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

The Company has paid the listing fees to BSE and NSE for the financial year 2017-18 within due date.

(g) ISIN Number : INE203G01027

(h) Market Price Data & Share price performance:

At Bombay Stock Exchange (BSE)

MONTH	IGL		BSE (SENSEX)	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
Apr-17	1084	991	30184	29241
May-17	1080	969	31255	29804
Jun-17	1125	1031	31523	30681
Jul-17	1228	1048	32673	31017
Aug-17	1350	1170	32686	31128
Sep-17	1524	1254	32524	31082
Oct-17	1624	1423	33340	31440
Nov-17*	332	291	33745	32684
Dec-17	339	304	34138	32565
Jan-18	344	302	36444	33703
Feb-18	312	272	36257	33483
Mar-18	316	274	34279	32484

* The Company subdivided its one equity share of Rs. 10/- each into five equity shares of Rs. 2/- each w.e.f. November 11, 2017. Accordingly, Sensex prices and IGL share prices have been considered for the period from November 11, 2017 to November 30, 2017.

At National Stock Exchange (NSE)

MONTH	IGL		NSE (NIFTY)	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
Apr-17	1084	990	9367	9075
May-17	1085	967	9650	9270
Jun-17	1127	1030	9709	9449
Jul-17	1229	1047	10115	9544
Aug-17	1319	1162	10138	9686
Sep-17	1524	1253	10179	9688
Oct-17	1624	1428	10385	9831
Nov-17*	332	291	10409	10094
Dec-17	338	304	10552	10033
Jan-18	345	302	11172	10405
Feb-18	312	271	11117	10276
Mar-18	317	275	10526	9952

* The Company subdivided its one equity share of Rs. 10/- each into five equity shares of Rs. 2/- each w.e.f. November 11, 2017. Accordingly, Nifty prices and IGL share prices have been considered for the period from November 11, 2017 to November 30, 2017.

(i) Registrar and Share Transfer Agent:

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

Karvy Computershare Private Limited,
Unit- Indraprastha Gas Limited,
Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032.
Tel. No's : 040-67162222
Fax No's : 040-23001153
Toll Free no. : 1800-345-4001
E-Mail Address : einward.ris@karvy.com
Website : www.karvycomputershare.com

(j) Share Transfer System:

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

(k) Distribution of shareholding as on March 31, 2018:

S. No.	Category Amount (Rs.) From	To	No. Of Share-Holders	% Of Share-Holders	Amount (Rs.)	% Of Amount
1	1	5000	96126	97.61	5,26,78,348	3.76
2	5001	10000	1197	1.22	92,52,208	0.66
3	10001	20000	493	0.50	72,10,756	0.52
4	20001	30000	153	0.16	38,47,030	0.27
5	30001	40000	62	0.06	21,94,744	0.16
6	40001	50000	46	0.05	21,10,558	0.15
7	50001	100000	92	0.09	67,98,824	0.49
8	100001 & ABOVE		302	0.31	1,31,59,09,132	93.99
Total			**98471**	**100**	**1,40,00,01,600**	**100**

(l) Categories of Shareholding as on March 31, 2018:

S. No.	Category	No. of Shares Holders	Total No. of Shares Held.	% To Share Capital
A	Promoters Holding			
	- Indian Promoters	2	315,000,400	45.00
B	Non Promoters Holding			
	Institutions			
	- Mutual Funds	31	62,936,703	8.99
	- Alternate Investment Fund	2	251,250	0.03
	- Financial Institutions/ Banks	13	6,408,886	0.91
	- State Govt.	1	35,000,000	5.00
	- Insurance Companies	5	43,691,582	6.24
	- Foreign Portfolio/Institutional Investors	255	149,142,014	21.31
	- Any Other : Foreign Nationals	1	1,500	0.00
	Non- Institutions			
	- Bodies Corporate	839	42,322,748	6.05
	- Individuals	95436	41,291,815	5.90
	- Any Other :			
	(i) Non-resident Indians	1754	1,693,837	0.24
	(ii) Trusts	14	41,980	0.01
	(iii) Clearing Members	103	2,074,365	0.30
	(iv) NBFCs Registered with RBI	14	75,070	0.01
	(v) IEPF	1	68,650	0.01
	TOTAL	**98471**	**700000800**	**100**

(m) Dematerialisation of Shares and Liquidity: -

The shares of the Company are compulsorily traded in dematerialized form, 94.99% of equity shares have been dematerialized as on March 31, 2018.

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

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

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

(o) Address for Correspondence: -

The Company Secretary,
Indraprastha Gas Limited,
IGL Bhawan,
Plot No.4, Community Centre,
Sector-9, R.K. Puram,
New Delhi-110022.
Tel No's : 011-46074607
Fax No : 011-26171863
E-Mail Ids : skjain@igl.co.in, investors@igl.co.in

(p) Plant Locations: -

The Company has 446 CNG stations as on March 31, 2018 spread all around the National Capital Territory of Delhi and in National Capital Region.

Non-Mandatory Requirements

(1) Chairman of The Board

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

(2) Shareholders' Right

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

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

Declaration

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2018.

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

Place : New Delhi
Date : August 10, 2018

Auditors' Certificate on Corporate Governance

To the Members of
Indraprastha Gas Limited

1. We have examined the compliance of conditions of Corporate Governance by Indraprastha Gas Limited ('the Company'), for the year ended 31 March 2018 as stipulated in the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations') and Schedule V to the Listing Regulations.

2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

4. We further state that the compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management conducted the affairs of the Company.

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

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

Place : Noida
Date : August 10, 2018

Management Discussion and Analysis

Company Overview

Indraprastha Gas Limited (Company) is a joint venture promoted by GAIL (India) Limited and Bharat Petroleum Corporation Limited (BPCL). Government of NCT of Delhi is also a stakeholder with 5% equity. The Company is in City Gas Distribution (CGD) business supplying natural gas to transport, domestic, commercial and industrial consumers. The operations of IGL is spread across NCT of Delhi and NCR - Noida, Greater Noida, Ghaziabad, Rewari & earmarked area of Gurugram.

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

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

Global Natural Gas Industry

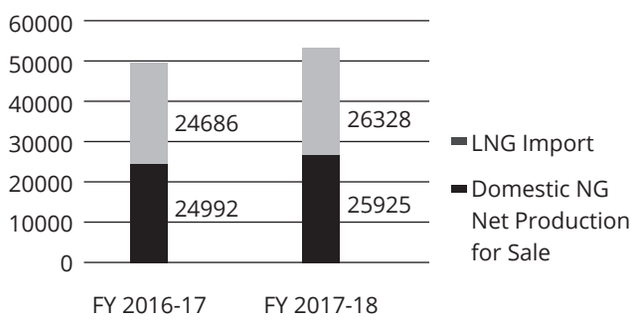
Natural Gas is a popular fuel and its share in world's energy mix is around 24%. The consumption for global natural gas has been showing increasing trend over the years. During the year 2017, the consumption for global natural gas grew by 3% to 3670 billion cubic metres (bcm) and production by 4% to 3680 bcm.

On consumption side, increase in demand of natural gas in China was result of determined policy effort to improve air quality through coal to gas boiler conversions in industrial and residential sector. This led to unprecedented surge in LNG import by China, which made it the second largest importer of LNG, followed by Japan. Increasing demand from industry, power generation and seawater desalination sectors led the consumption growth in Middle East. On the production side, the United States emerged as the largest producer of natural gas. Australia and Russia also contributed towards the growth in export.

The gas industry in coming years is expected to be driven by growing imports from China, increasing demand from industrial sector and rising production from the United States. The growth is expected to be driven further by emerging markets which is expected to be sustained by strong economic expansion and strong policy support to curb air pollution. Global demand for LNG is anticipated to increase from 240 million tons per annum (mtpa) to around 430 mtpa by 2025.

Total Consumption of Natural Gas in India

(in MMSCM)



Indian Natural Gas Scenario

Natural gas constitutes around 6% of the total energy mix of India. There is a thrust by government of India to increase the share of natural gas to 15% by the year 2030. An efficient and well-functioning supply chain consisting of transportation infrastructure connecting the under-served eastern part of the country to the rest of the nation, formation of gas grid, development of LNG terminals, augmenting storage capacity and incorporation of gas trading platforms are some of the crucial steps which would enable India to become a gas based economy.

The domestic natural gas net production for sales showed a growth of 3.7% from 24,992 MMSCM in FY 2016-17 to 25,925 MMSCM in FY 2017-18. Total import of LNG during FY 2017-18 increased by 6.65% to 26328 MMSCM from 24686 MMSCM in the previous year. The share of import of LNG has been increasing and meets almost 50% of the total consumption of gas in the country.

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

Natural gas industry of India is anticipated to have robust growth in the coming years. The growth will be mainly driven by various government initiatives such as building of natural gas infrastructure - 'Vision 2030' and a target to make natural gas available to 10 million households and thousands of industrial and commercial customers across India by 2019.

Market Drivers

Factors/ Initiatives	Impact on Natural Gas demand
Make in India Radical shift in India's GDP structure, especially share of manufacturing sector to increase.	• Multifold increase in demand of energy. • Increase in requirement of gas from power and heat-cooling sector.
Renewable Power generation Increase in capacity of renewable energy will lead to major shift in India's power generation mix.	• Requirement of grid stability as solar and wind power are interchangeable sources of supply. • Inherent operational flexibilities of gas based power generation to help in grid balancing.
Growth in Agriculture Requirement for significant increase in food supplies and allied products to support growth in population and changing food consumption habits.	• Upgradation in domestic fertilizer production required to support increased agricultural activity. • For production of nitrogenous fertilizers, gas is the most preferred feedstock.
Urbanization and urban pollution Growth in India's urban population will lead to extension of existing cities and towns and development of new towns and cities over long term.	• Urban pollution can be managed by retail gas distribution along with providing cost efficient supplies to support growing cooking and transportation needs. • Expansion of city gas distribution network across India.

City Gas Distribution Sector in India

City Gas Distribution (CGD) sector has two distinct segments, namely Compressed Natural Gas (CNG) mainly used as auto-fuel and Piped Natural Gas (PNG) used by domestic, commercial and industrial sectors.

As on March 31, 2018, CGD network of India was providing PNG to 4.26 million domestic households, 26,131 commercial consumers and 7601 industrial consumers. The total number of CNG stations was 1,424 which were supplying CNG to 30.9 lakh vehicles.

The landscape of CGD sector is likely to change in the coming years with the thrust of government on natural gas, an eco-friendly fuel and with expansion of CGD network in many parts of the country. The government of India has set a target of providing PNG connections to ten million households by the year 2019. The government is meeting the entire requirement of gas for transport and PNG domestic households of CGD companies in the country. The CGD sector has been accorded the status of public utility to give a boost to this sector.

Recently, PNGRB has invited bids in its ninth round of bidding for 86 geographical areas in 174 districts, which will cover almost 29 % of India's population. The bids called by PNGRB would facilitate setting up of CGD network in almost all parts of the country. It would also help in reducing the inequality in regional gas consumption which is presently concentrated in western and northern region.

The paradigm shift in CGD sector would bring a number of opportunities for existing as well as new CGD companies in the country. Your Company being a pioneer in this sector is gearing itself to leverage its execution capabilities and expertise for future growth.

Performance Analysis

i. Financial Performance

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

- Gross turnover increased from Rs. 4205.43 Crores in FY 2016-17 to Rs. 5,052.53 Crores in FY 2017-18.
- Profit after tax (PAT) increased to Rs. 670.77 Crores in FY 2017-18 from Rs. 571.07 Crores in FY 2016-17.
- Earnings per share of the Company showed a growth rate of 17 % from Rs. 8.16 in FY 2016-17 to Rs. 9.58 in FY 2017-18.
- Net worth of the Company as at 31st March 2018 was Rs. 3512.9 Crores as compared to Rs. 2926.56 Crores as at 31st March 2017.
- As on 31st March 2018, IGL is a zero debt Company.

ii. Segment Wise Performance

The Company has its presence in following segments:

- Compressed Natural Gas (CNG) - IGL's majority portion of the revenue accrues from sales of CNG amounting to Rs. 3,888 crores in FY 2017-18, accelerating at growth rate of 18% over previous year. The Company has 446 stations through which it provided gas to 10.30 lakh vehicles, with an average sale of 27.89 lakh kg per day in 2017-18.
- Piped Natural Gas (PNG) - The total sales of PNG grew by 27% to Rs. 1165 crore in FY2017-18 from Rs. 919 crore in FY 2016-17. Sales volume of PNG increased from 406 mmscm in previous year to 479 mmscm in FY 2017-18, registering a growth rate of 13%. IGL provided 1.5 lacs new PNG connections during FY 2017-18. As on March 31, 2018, total PNG connections were provided to 8.92 lacs households and 3,429 Commercial & Industrial consumers. The Company's pipeline infrastructure expanded from 10,718 kms in FY 2016-17 to 11,673 kms in FY 2017-18.

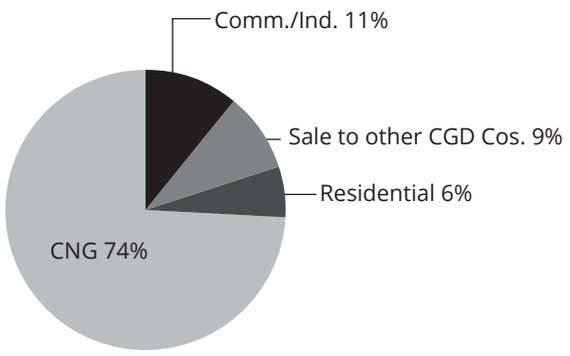
Opportunities

The growth momentum of sales is anticipated to continue in all segments in the coming years.

Expansion in new geographical areas: The Company received authorization for geographical area of Karnal district through PNGRB bidding process. Recently, the Company has received letter of intent from PNGRB for grant of authorization for development of CGD network in the Geographical Area of Meerut (except areas already authorized), Muzaffarnagar & Shamli Districts.

Opening of CNG/LNG stations along highways provides opportunities to the Company to increase its CNG sales volumes.

Segment-Wise Sales Volume



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

Cost Benefit: As compared to other liquid fossil fuels such as Petrol and Diesel, CNG is cost effective. This drives the demand for switching over to CNG vehicles.

Thrust on PNG by Government: The government is giving thrust and support for using PNG as a fuel by domestic households. It has set a target of providing 10 million PNG connections by the year 2019. In line of the same, the Company has set aggressive targets for PNG domestic connections.

Smart Cities: The government of India has planned to develop Smart Cities. The government has also emphasized that for clean and efficient fuel there is a need for City Gas distribution network. This would lead to a continuous demand for the expansion of the network.

Concern for pollution: Increased focus on reducing emissions by judiciary, central and state governments will give a boost to eco-friendly fuel i.e. CNG and PNG.

Threats, Risk & Concerns and Mitigations

Promotion of electric and hybrid vehicles in India: Electric cars are at nascent stage in India and Government is promoting the same. In medium to long term, these cars may pose a potential threat to CNG run vehicles.

The Company is preparing itself for meeting the challenge by becoming a part of value chain in electric car business.

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

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

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

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

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

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

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

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

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

The Company gives utmost priority to this area and has robust system and procedures which helped it to record 131 million accident free man hours as on March 31, 2018.

Internal Control

The Company has adequate internal control procedures commensurate with the size and nature of its business. During the FY 2017-18, M/s Pricewaterhouse, Chartered Accountants and in-house audit team carried out internal audits and the internal audit reports prepared by them were placed before the Audit Committee.

Human Capital

The Company values its employees the most as their hard work and efforts lead to Company's growth. IGL provides training at all levels to its employees. As on March 31, 2018, IGL's employee strength stands at 622 employees. With the growth of the Company, the employee strength is anticipated to grow further. The Company undertakes various initiatives to integrate employee's personal goals with Company's goals.

Environmental consciousness

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

Cautionary statement

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

Business Responsibility Report

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

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L23201DL1998PLC097614
2	Name of the Company	Indraprastha Gas Limited
3	Registered address	IGL Bhawan, Plot No. 4, Community Centre, Sector-9, R.K Puram, New Delhi- 110022
4	Website	www.iglonline.net
5	Email ID	investors@igl.co.in
6	Financial Year reported	April 1, 2017 – March 31, 2018
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Natural Gas NIC Code (as per NIC Code 2008): 3520 (Manufacture of gas; distribution of gaseous fuels through mains)
8	Three key products/services manufactured (as in balance sheet):	Natural Gas
9	Total number of locations where business activity is undertaken by the Company	NCT of Delhi and NCR Towns
	(a) Number of International Locations (Provide details of major 5)	NIL
	(b) Number of National Locations	NCT of Delhi and NCR Towns
10	Markets served by the Company	Local/State (Delhi & NCR, India)

Section B: Financial Details of the Company

1	Paid up capital	Rs. 140.00 Crores (700,000,800 equity shares of Rs. 2 each)
2	Total Turnover	Rs. 5052.53 Crores
3	Total profit after taxes	Rs. 670.77 Crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	(i) Amount spent: Rs. 11.60 Crores (ii) Amount spent as percentage of profit after tax: 1.73%
5	List of activities in which expenditure in 4 above has been incurred: (i) Education (ii) Eradicating Poverty (iii) Preventive Healthcare, Sanitation & Hygiene (iv) Skill Development (v) Gender Equality & Women / Girl child Empowerment	

Section C: Financial Details of the Company

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

No

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

Not Applicable

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

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

Section D: BR Information

1 Details of Director/Directors responsible for BR

(a) Details of Director/Directors responsible for BR implementation of the BR policy/policies

DIN No.	:	06819112
Name	:	Shri Rajiv Sikka
Designation	:	Director (Commercial)

(b) Details of the BR head

DIN (if applicable)	:	06819112
Name	:	Shri Rajiv Sikka
Designation	:	Director (Commercial)
Telephone No	:	011-46074610
Email ID	:	sikkar@igl.co.in

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

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

Principle 1

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

Principle 2

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

Principle 3

Businesses should promote the well-being of all employees.

Principle 4

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

Principle 5

Businesses should respect and promote human rights.

Principle 6

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

Principle 7

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

Principle 8

Businesses should support inclusive growth and equitable development.

Principle 9

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

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

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

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

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

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

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

* http://www.iglonline.net/english/5000_media/About_us/Whistle-Blower-Policy.pdf

**Policies are available to employees through intranet portal.

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

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

@@ http://www.iglonline.net/english/5000_media/About_us/Code-for-Fair-Disclosure.pdf

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

3. Governance related to BR

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

The Company is committed to the sustainable performance of its business and enhancement of stakeholders' value. The Board of Directors of the Company endeavor to ensure continues and improves the sustainable practice of the Company through continual assessment at various levels. The Board of Directors assesses the BR performance of the Company, at least once on annual basis.

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

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

Section E: Principle Wise Performance

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

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

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

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

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

Company's stakeholders include our investors, employees, customers, vendors, government and local communities. For investor complaint, please refer to 'investor complaint' section in the corporate governance section of annual report. Most of the investor complaints were related to dividend and non-receipt of annual reports etc. Total 37 complaints were received during the financial year. All investors' grievances were disposed of and there was no pending complaint at the end of the year.

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

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

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

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

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

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

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

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

The Company is making continuous efforts to increase the uses of natural gas. Natural gas which is the major product of IGL doesn't produce significant amount of solid waste, air emissions, and carbon dioxide are also of lower quantity then those produced from non-renewable coal and oil. The increased use of natural gas reduces the carbon dioxide content in the area. It is evident from the fact that Government of India is giving thrust to natural gas and wish to increase its share from present 6% to 15% in the total energy basket of the country by the year 2030.

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

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

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

We source natural gas from GAIL and other supplier as mentioned above. Besides sourcing of gas, the Company procures various materials and services for its day to day operations for which we engage with local suppliers. The Company's procurement approach is based on least priced tendering mechanism which ensures equal opportunity to all the participants including local communities and small producers. The bids received by the Company from various parties are first evaluated based on Bidding Evaluation Criteria (BEC) and thereafter techno commercial evaluation is done and job is awarded to the lowest bidder. The Company has detailed contract programme manual and contracts are made as per rules, criteria and principles laid down in the manual which includes appropriate clauses and checks to prevent the employment of child labour or forced labour in any form. Our whistle blower policy/vigil policy provides sufficient mechanism to voice concerns and issues of our suppliers. We also organize various interactive sessions with suppliers, vendors and customers for their feedback and to offer better services.

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

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

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

(1) Total no of employees: Our total employee count stands at 9590 (622 permanent employees + 8968 employees on temporary/contractual/casual basis) as on March 31, 2018.

(2) Total number of employees hired on temporary/ contractual/casual basis: Total count of employees hired on temporary/contractual/casual basis by the Company stands at 8968 as on March 31, 2018.

(3) No of permanent women employees: The number of our total women employees is 24 as on March 31, 2018.

(4) Number of permanent employees with disabilities: The number of disabled permanent employees stands at 4.

(5) Do you have an employee association that is recognized by management: No

(6) What percentage of your permanent employees is members of this recognized employee association? Not applicable as the Company does not have any employee association.

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

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

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

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

(a) Permanent Employees: 90%

(b) Permanent Women Employees: 100%

(c) Casual/Temporary/Contractual Employees: 96%

(d) Employees with Disabilities: 50%

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

(1) Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its various key internal and external stakeholders and interacts with them from time to time. The Company has town hall meetings with its employees to have two way communication for cordial relationship and congenial atmosphere in the Company. The Company organizes various interactive sessions with its suppliers, vendors and customers for their feedback and to offer better services. Under fire and safety training programs, training is being imparted to employees, contract staff at CNG stations, DTC Drivers and consumers of CNG and PNG. Under CSR policy, the Company has taken various initiatives to provide benefits to the underprivileged and poor strata of society.

(2) Out of the above, has the Company identified the disadvantages, vulnerable and marginalised stakeholders?

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

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

Yes, as a responsible organization we are committed to the needs and welfare of the communities around us and especially for the lower strata of the society. The Company has been providing group accident insurance, preventive health management & gender sensitization to auto and taxi drivers of the region. Company is also contributing towards skill development programmes for unemployed youth in the fields of gas plumbing and welding by providing technical oriented training. Further, the Company has been working with local authority for development of new toilet complexes and upgradation of the toilet facilities in the government run schools. The

Company organizes free health check-up camps for the auto drivers and taxi drivers and has taken an insurance scheme i.e. group accident cover for drivers of CNG run public transport under IGL Suraksha Yojna.

Principle 5 - Businesses should respect and promote human rights

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

There is no dedicated human rights policy. However, the Company ensures protection of the human rights to all at various levels in its practices and all contractors and suppliers are expected to follow the same. The Company has sexual harassment policy in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to ensure safe working environment for woman at workplace. We respect the human rights of all concerned and provide equal opportunities to all without any discrimination on the basis of gender, caste, sexual orientation or religion.

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

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

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

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

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

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

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

(3) Does the company identify and assess potential environmental risks? Y/N

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

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

Not Applicable.

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

For energy efficiency, Company has taken following initiatives:

- Conventional light fittings on all IGL CNG stations are being replaced by energy efficient LED fittings in phased manner. The energy saving accrued on account of lighting load is to the tune of 50%.
- Additional Engine Flow meters have been installed in gas engine driven compressors, so that gas loss is controlled & reduced.
- Close loop operation of VFD in existing motorized package is under progress.
- Replacement of conventional ceiling fan by brushless DC motor based ceiling fan is under progress. Energy saving on account of ceiling fan is to the tune of 50%.

- All new procurement is on the basis of energy efficient / star rated products only and same is now part of standard procurement policy.

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

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

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

We did not receive any show cause/ legal notices from CPCB/SPCB during the financial year 2017-18.

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

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

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

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

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

Principle 8 - Businesses should support inclusive growth and equitable development

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

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

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

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

1. Award in the Category of "CSR/ Environment Protection and Conservation" at India Pride Awards 2017-18 organized by Dainik Bhaskar Group in New Delhi.
2. CSR Leadership Awards under the categories of Women Empowerment and Innovations in CSR practices during World CSR Day Congress in Mumbai.
3. Award for its Gender Sensitization programme at 4th CSR Impact Awards 2017 under the category of Women Empowerment in Gurugram.
4. CSR Community Initiative Awards 2018 for IGL Swasth Saarthi Programme and for Self Defence Training Programme at CSR Leadership Summit in New Delhi.
5. Award in the categories of 'Women Empowerment' and 'Innovations in CSR practices' at 8th Asia's Best CSR Practices Awards in Singapore.
6. Award in the field of Healthcare for IGL Swasth Saarthi Programme at National CSR Summit & Awards in New Delhi

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

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

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

(3) Have you done any impact assessment of your initiative?

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

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

The Company has taken various CSR activities for the benefit of society/community and spent Rs. 11.60 Crores on such initiatives during the financial year ended March 31, 2018. For details of the programmes/projects undertaken by the Company and the amount spent by the Company on such programmes/projects, please refer to the report on Corporate Social Responsibility forming part of our Annual Report.

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

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

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

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

The Company is catering to 10.3 lacs vehicles plying on CNG in Delhi and NCR. The Company had total 8.92 lacs households connections, besides 3429 commercials and industrial customers. The Company follows customer centric approach and make all its efforts to attend the complaints in a time bound manner. Out of total customer complaints, 0.80% of customer complaints were pending at the end of the financial year.

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

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

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

We have appropriate mechanisms to receive and address complaints from stakeholders related to compliance, corruption or bribery. No stakeholder has filed any case against the Company, nor are any cases pending regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and no such case is pending as on 31 March 2018.

(4) Did your company carry out any consumer survey/ consumer satisfaction trends?

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

Independent Auditor's Report

To
The Members of
Indraprastha Gas Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Indraprastha Gas Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31

March 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Act, we give our report on the matters specified in the aforementioned directions in Annexure B on taking into consideration the information, explanations and written representations received from the management.

11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 May 2018 as per Annexure C expressed unmodified opinion; and

    g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. the Company, as detailed in Note 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

    ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

    iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

    iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Annexure A to the Independent Auditor's Report

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE').

(b) Other than PPE related to underground natural gas distribution system which as per management cannot be physically verified, the PPE has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the PPE is reasonable having regard to the size of the Company and the nature of its assets. For the underground natural gas distribution system, the management has adequate controls in place to safeguard the physical existence of the said distribution system.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for certain immovable properties taken on lease, per details given below:

(₹ in Crores)

Nature of property	Whether leasehold / freehold	Gross block as on 31 March 2018	Net block as on 31 March 2018
Land	Leasehold perpetual*	9.83	9.83
Land	Leasehold perpetual@	7.15	7.15

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

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

(ii) The inventories of the Company comprise of natural gas and inventory of stores and spares parts. As explained to us, having regard to the nature of the inventory of natural gas, the procedures followed by the management for estimation of natural gas quantities which is based on volume of pipelines and the volume of cascades containing the natural gas considering the standard temperature and pressures, are reasonable and no material discrepancies were noticed on such computation. Further, in our opinion, the management has conducted physical verification of inventory of stores and spare parts at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

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

Statement of disputed dues (₹ in Crores)

Name of the statute	Nature of dues	Amount (₹)	Amount paid under protest (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act,1944	Matters relating to levy of Excise duty on discount to customers	4.84	2.42 (Refer Note 1 below)	2008-10	Commissioner of Central Excise
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	8.23	1.65	Financial year (FY) 2010-11	Commissioner of Income-tax (Appeals)
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	10.68	2.14	FY 2011-12	Commissioner of Income-tax (Appeals)
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	2.51	2.20 (Refer note 2 below)	FY 2012-13	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	2.01	2.01 (Refer note 2 below)	FY 2013-14	Income-tax Appellate Tribunal
Income-tax Act, 1961	Matters relating to disallowance of additional depreciation	1.09	1.09 (Refer note 3 below)	FY 2014-15	Commissioner of Income-tax (Appeals)

Notes:

1. The aforesaid amount of ₹ 2.42 crores initially demanded by the Excise Department had been paid and had been expensed off in the Statement of Profit and Loss during the previous years. Subsequently, a penalty of equal amount was also imposed on the Company, post which the Company filed an appeal against the demand and penalty.

2. Amount paid under protest of ₹ 4.21 crores for the financial year 2012-13 and 2013-14 includes adjustment of ₹ 4.01 crores made by the Income-tax department against the refund of financial year 2013-14.

3. ₹ 1.09 crores is adjustment made by the Income-tax department against the refund for financial year 2014-15.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Annexure B to the Independent Auditor's Report

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

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

Sl. No.	Directions	Response
1.	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available?	The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for certain immovable properties taken on lease, as enumerated in Table A below.
2.	Whether there are any cases of waiver/write off of debts/ loans/interest etc. If yes, the reasons there for and amount involved.	There are no cases of write off or waiver of debts, loans and interest during the year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Government or other authorities.	The Company is maintaining proper records for inventories lying with third parties. Further, as per information, explanations and written representations given to us by the management, the Company has not received any assets as gift/grants from the Government or other authorities.

Table A

Nature of property	Whether leasehold /freehold	Gross block as on 31 March 2018 (₹ in crores)	Net block as on 31 March 2018 (₹ in crores)	Area (in square meters)
Land	Leasehold*	9.83	9.83	1,755.34
Land	Leasehold@	7.15	7.15	2,674.83

* While the Company has an allotment letter for the said land but has not entered into a lease deed.
@ While the Company has entered into a memorandum of understanding with the lessor, but has, however, not entered into a lease deed.

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Annexure C to the Independent Auditor's Report

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

1. In conjunction with our audit of the standalone financial statements of Indraprastha Gas Limited (the 'Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Standalone Balance Sheet As at 31 March 2018

(₹ in Crores)

		Note	As at 31 March 2018	As at 31 March 2017
A	**Assets**			
1	**Non-current assets**			
	a) Property, plant and equipment	4	2,415.55	2,103.18
	b) Capital work-in-progress	4	386.02	351.79
	c) Intangible assets	4	16.48	13.97
	d) Financial assets			
	(i) Investments	5	258.12	259.17
	(ii) Loans	6	8.37	7.77
	(iii) Other financial assets	7	0.30	0.30
	e) Income-tax assets (net)	8	15.03	1.82
	f) Other non-current assets	9	45.70	18.07
	Total non-current assets		**3,145.57**	**2,756.07**
2	**Current assets**			
	a) Inventories	10	52.37	51.72
	b) Financial assets			
	(i) Investments	11	889.57	417.87
	(ii) Trade receivables	12	226.14	201.39
	(iii) Cash and cash equivalents	13	203.68	125.57
	(iv) Bank balances other than (iii) above	14	354.35	483.02
	(v) Loans	15	6.48	2.49
	(vi) Other financial assets	16	27.77	21.43
	c) Other current assets	17	22.23	26.57
	Total current assets		**1,782.59**	**1,330.06**
	Total Assets		**4,928.16**	**4,086.13**
B	**Equity and liabilities**			
1	**Equity**			
	a) Equity share capital	18	140.00	140.00
	b) Other equity	19	3,372.90	2,786.56
	Total equity		**3,512.90**	**2,926.56**
2	**Liabilities**			
	Non-current liabilities			
	a) Employee benefit obligations	20	12.83	20.34
	b) Deferred tax liabilities (net)	21	225.31	180.62
	c) Other non-current liabilities	22	0.81	-
	Total non-current liabilities		**238.95**	**200.96**
	Current liabilities			
	a) Financial liabilities			
	(i) Trade payables	23	338.58	274.00
	(ii) Other financial liabilities [other than those specified in item (b)]	24	797.70	649.00
	b) Employee benefit obligations	25	0.91	0.66
	c) Other current liabilities	26	39.12	34.95
	Total current liabilities		**1,176.31**	**958.61**
	Total liabilities		**1,415.26**	**1,159.57**
	Total equity and liabilities		**4,928.16**	**4,086.13**

See accompanying notes forming part of the standalone financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
V. Nagarajan
Director (Commercial)
(DIN: 06971361)

Sd/-
S.K. Jain
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Crores)

		Note	Year ended 31 March 2018	Year ended 31 March 2017
1	Revenue from operations	27	5,071.57	**4,222.51**
2	Other income	28	102.13	65.22
3	**Total income (1 + 2)**		**5,173.70**	**4,287.73**
4	**Expenses:**			
	(a) Cost of natural gas	29	2,491.81	2,083.98
	(b) (Increase) in stock of natural gas	30	(0.40)	(0.26)
	(c) Excise duty		479.43	407.73
	(d) Employee benefits expense	31	106.05	91.71
	(e) Finance costs	32	1.69	1.21
	(f) Depreciation and amortisation expense	4	181.29	167.07
	(g) Other expenses	33	881.34	675.60
	Total expenses		**4,141.21**	**3,427.04**
5	**Profit before tax (3 - 4)**		**1,032.49**	**860.69**
6	Tax expense:	42		
	(a) Current tax		316.94	273.54
	(b) Deferred tax		44.78	16.08
	Total tax expenses		361.72	**289.62**
7	**Profit for the year (5 - 6)**		**670.77**	**571.07**
8	Other comprehensive income			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of post employment benefit obligations		(0.27)	(1.34)
	(ii) Income-tax relating to remeasurement of post employment benefit obligations		0.09	0.48
	Other comprehensive income for the year, net of tax		(0.18)	**(0.86)**
9	**Total comprehensive income for the year (7+8)**		**670.59**	**570.21**
10	Earnings per equity share: (face value of ₹ 2 per share)	48		
	Basic/diluted earnings per share (in ₹)		9.58	8.16

See accompanying notes forming part of the standalone financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN: 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Standalone Statement of Changes in Equity for the year ended 31 March 2018

I) Equity share capital

Particulars	Note	Number in crores	₹ in Crores
Balance as at 31 March 2016	18	14.00	140.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2017	18	**14.00**	**140.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	18	**70.00***	**140.00**

* The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹10 into five equity shares having a face value of ₹2 each. Consequently, the total number of equity shares of the Company increased to 700,000,800 shares of ₹2 each (previous year 140,000,160 shares of ₹10 each).

II) Other equity

(₹ in Crores)

		Reserves and surplus		
Particulars	**Note**	**General reserve**	**Retained earnings**	**Total**
Balance as at 31 March 2016	19	**303.50**	**2,072.93**	**2,376.43**
Dividends paid (including dividend distribution tax)		-	(160.08)	(160.08)
Transactions with owners in their capacity as owners		**-**	**(160.08)**	**(160.08)**
Profit for the year		-	571.07	571.07
Other comprehensive income		-	(0.86)	(0.86)
Balance as at 31 March 2017	19	**303.50**	**2,483.06**	**2,786.56**
Dividends paid (including dividend distribution tax)		-	(84.25)	(84.25)
Transactions with owners in their capacity as owners		**-**	**(84.25)**	**(84.25)**
Profit for the year		-	670.77	670.77
Other comprehensive income		-	(0.18)	(0.18)
Balance as at 31 March 2018	19	**303.50**	**3,069.40**	**3,372.90**

See accompanying notes forming part of the standalone financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN: 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Standalone
Cash Flow Statement for the year ended 31 March 2018

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flow from operating activities:		
Profit before tax	1,032.49	860.69
Adjustments for:		
- Depreciation and amortisation for the year	181.29	167.07
- Unrealised foreign exchange (gain)	(0.07)	(0.04)
- Loss on property, plant and equipment sold or discarded (net)	9.61	0.24
- Provision for expected credit losses/ Bad debt (written back)/written off	(0.08)	1.43
- Provision for obsolete and slow moving stores and spares (written back)	(1.15)	-
- Provision for obsolete and slow moving stores and spares	1.07	3.11
- Liabilities/provisions no longer required, written back	(1.71)	-
- Adjustment of pre-acquisition dividend	1.05	-
- Finance cost	0.11	-
- Interest income on term deposits with banks	(21.89)	(16.33)
- Income received from mutual fund investments	(65.75)	(26.43)
- Dividend on investment in associates	(9.49)	(19.30)
Operating profit before working capital changes	1,125.48	970.44
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
- Non current financial assets- Loans	(0.60)	(1.73)
- Other non-current assets	(22.44)	0.14
- Inventories	0.50	4.06
- Trade receivables	(24.66)	48.32
- Other current assets	4.34	4.68
- Current financials assets	(5.08)	(0.58)
- Other current financial assets	(2.49)	(1.25)
Adjustments for increase/(decrease) in operating liabilities:		
- Other non-current liabilities	0.81	-
- Trade payables	64.78	112.78
- Other current financial liabilities	67.61	68.11
- Employee benefit obligations	(7.54)	5.02
- Other current liabilities	8.87	5.07
Cash generated from operations	1,209.58	1,215.06
Net income-tax paid	(330.25)	(268.72)
Net cash flow from operating activities (A)	**879.33**	**946.34**
B. Cash flow from investing activities:		
- Payment for purchase of property, plant and equipment including capital advances and payable towards property plant and equipment	(469.88)	(271.41)
- Proceeds from sale of property, plant and equipment	0.04	0.54
- (Investment) in bank deposits with maturity more than three months	(579.76)	(907.49)
- Maturity in bank deposits with maturity more than three months	712.25	425.00
- Movement in restricted bank balance	(3.82)	(0.04)
- Investment in mutual funds	(6,304.12)	(4,814.20)
- Proceeds from sale of mutual funds	5,832.42	4,396.33
- Interest income on term deposits with banks	20.64	11.58
- Income received from mutual fund investments	65.75	26.43
- Dividend received from associates	9.49	19.30
Net cash flow used in investing activities (B)	**(716.99)**	**(1,113.96)**

Standalone
Cash Flow Statement for the year ended 31 March 2018 (contd..)

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flow from financing activities:		
- Dividend and dividend distribution tax paid	(84.23)	(160.08)
Net cash flow used in financing activities (C)	**(84.23)**	**(160.08)**
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	78.11	(327.70)
E. Cash and cash equivalents as at the beginning of the year	125.57	453.27
F. Cash and cash equivalents as at the end of the year	**203.68**	**125.57**
G. Cash and cash equivalents at the end of the period (refer note 13)		
i Balances with banks in current accounts	29.07	22.07
ii Cash on hand	5.01	4.86
iii Balances with banks in fixed deposits with maturity of less than three months	169.60	98.64
	203.68	**125.57**

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

See accompanying notes forming part of the standalone financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN: 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

1 Company overview

Indraprastha Gas Limited (the 'Company') is a company limited by shares domiciled in India and was incorporated on 23 December 1998 under the Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office is located at IGL Bhawan, Plot No.4, Community Centre, Sector 9, R.K. Puram, New Delhi -110022.

IGL is in the business of City Gas Distribution presently operating in Delhi including adjoining areas of Noida, Greater Noida, Ghaziadbad, Gurugram and Rewari.

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

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

2.1 Standards issued but not yet effective

On 28 March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers' and Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates'. The effective date for adoption is financials periods beginning on or after 01 April 2018.

2.1.1 Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establish the principles whereby an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity shall be required to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The standard permits two possible methods of transition:

(a) Retrospective approach- The standard shall be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

(b) Retrospective with cumulative effect of initial application of the standard recognised at the date of initial application (Cumulative catch-up transition method)

The Company is examining the methods of transition to be adopted. The effect on adoption of Ind AS 115 is expected to be insignificant.

2.1.2 Appendix B, Foreign currency transactions and advance consideration to Ind AS 21:

Appendix B to Ind AS 21 clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will be effective on financials periods beginning on or after 01 April 2018. The effect of this amendment is expected to be insignificant.

3 Significant accounting policies and other explanatory information

3.1 Statement of compliance with Indian Accounting Standards (Ind AS)

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

The standalone financial statements of Indraprastha Gas Limited as at and for the year ended 31 March 2018 were approved and authorised for issue by the Board of Directors on 23 May 2018 (refer note 51).

3.2 Overall considerations

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

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for the year ended 31 March 2018

These accounting policies have been used throughout all periods presented in the standalone financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

3.3 Historical cost convention

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

3.4 Revenue recognition

(i) Sales of natural gas

Revenue on sale of natural gas is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risks and rewards of ownership have been transferred to the buyer. Revenue includes excise duty but excludes central sales tax and value added tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue from extra pipeline cost is being charged from the customers. However, ownership & risk remains with the Company and since the cost of the extra pipeline has been capitalized and depreciated over a period of useful life of pipeline, as a result, amount charged from customers has also been deferred over the useful life of pipeline on the basis of matching principle.

(ii) Interest and dividends

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

3.5 Inventories

(i) Inventory of natural gas

Inventory of natural gas in pipelines and cascades is valued at the lower of cost computed on First in First out (FIFO) basis and net realisable value. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

(ii) Inventory of stores and spares

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

3.6 Foreign currency transactions and translations

i. Initial recognition

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

ii. Measurement at the balance sheet date

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

iii. Treatment of exchange difference

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

3.7 Leases

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

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for the year ended 31 March 2018

specified in an arrangement.

Company as the lessor

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

Company as the lessee

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

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

3.8 Employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

Short-term employee benefits

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

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are allowed to carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.9 Taxes on income

Tax expense comprises current tax and deferred tax. Current tax is the amount of the tax for the period determined in accordance with the Income-tax Act, 1961. Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the end of the reporting period. Deferred tax is provided using the balance sheet approach on temporary differences at the reporting

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

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

3.10 Operating cycle

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

3.11 Operating expenses

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

3.12 (a) Property, plant and equipment

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

ii. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.

iii. Gas distribution systems are commissioned when ready for commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.

iv. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

v. Stores & Spares which meet the definition of property,plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalised as property,plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognised the new part with its own estimated useful life and it is depreciated accordingly. Likewise, when a major overhauling/ repair is performed, its cost is recognised in the carrying amount of respective assets if the recognition criteria are satisfied and depreciated over remaining useful life of asset or over the period of next overhauling due whichever is earlier. All other repair and maintenance costs are recognised in the statement of profit and loss as and when incurred.

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

(b) Intangible assets

Intangible assets comprise computer software/ license.

(c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and

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for the year ended 31 March 2018

related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

3.13 Depreciation and amortisation

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

Asset class	Depreciation
Property, plant and equipment	
- Mother compressors, online compressors and Booster compressors (forming part of plant and equipment)	10 years
- Pipeline (forming part of plant and equipment)	25 Years
- Signages (forming part of buildings)	10 years
- Machinery spares	5 years
Cost associated with lease hold land is depreciated over the period of lease.	
Overhauling cost is depreciated over the remaining life of the respective asset or over the period till the next overhauling date, whichever is earlier.	
Intangible assets	
- Computer software and licenses	5 years

3.14 Cash and cash equivalents

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

3.15 Cash flow statement

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

3.16 Earnings per share

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

3.17 Equity, reserves and dividend payment

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

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

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

3.19 Provisions and contingencies

A provision is recognised in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 49.

3.21 Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

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

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

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

3.22 Financial instruments

I Financial assets

a. Initial recognition and measurement

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

b. Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model

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whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through the statement of profit and loss.

c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 45 details how the Company determines whether there has been a significant increase in credit risk.

d. Derecognition of financial assets

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

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

II. Financial liabilities

Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance

sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.23 Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

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

(i) Estimation of defined benefit obligation

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

(ii) Estimation of current tax and deferred tax

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

(iii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

(iv) Impairment of trade receivables

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

(v) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 44).

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4 Property, plant and equipment, capital work-in-progress and other intangible assets

(₹ in Crores)

Particulars	Property, plant and equipment							Total	Intangible	Capital work-in-progress
	Freehold land	Land on perpetual lease	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Data processing equipment		Computer software/ license	
Balance as at 1 April 2016	19.92	16.98	306.72	1,762.13	11.04	7.45	5.53	**2,129.77**	17.65	266.92
Additions	-	-	41.55	217.11	2.19	0.20	1.98	**263.03**	2.78	343.53
Disposal/transfer of assets	-	-	0.09	12.05	0.14	-	1.33	**13.61**	-	258.66
Balance as at 31 March 2017	**19.92**	**16.98**	**348.18**	**1,967.19**	**13.09**	**7.65**	**6.18**	**2,379.19**	**20.43**	**351.79**
Additions	1.18	-	59.47	427.92	3.27	0.17	6.26	**498.27**	7.55	492.89
Disposal/transfer of assets	-	-	10.04	5.06	0.77	0.09	0.90	**16.86**	-	458.66
Balance as at 31 March 2018	**21.10**	**16.98**	**397.61**	**2,390.05**	**15.59**	**7.73**	**11.54**	**2,860.60**	**27.98**	**386.02**
Accumulated depreciation and amortisation										
Balance as at 1 April 2016	**-**	**-**	**15.09**	**107.82**	**1.67**	**0.51**	**1.27**	**126.36**	**1.87**	**-**
Depreciation and amortisation charge for the year	-	-	16.40	141.75	1.71	1.03	1.59	**162.48**	4.59	
Disposal/transfer of assets	-	-	0.04	11.48	0.09	-	1.22	**12.83**	-	-
Balance as at 31 March 2017	**-**	**-**	**31.45**	**238.09**	**3.29**	**1.54**	**1.64**	**276.01**	**6.46**	**-**
Depreciation and amortisation charge for the year		-	18.16	152.92	1.64	1.02	2.51	176.25	5.04	
Disposal/transfer of assets			2.19	3.30	0.74	0.09	0.89	7.21	-	
Balance as at 31 March 2018	**-**	**-**	**47.42**	**387.71**	**4.19**	**2.47**	**3.26**	**445.05**	**11.50**	**-**
Net block as at 31 March 2017	**19.92**	**16.98**	**316.73**	**1,729.10**	**9.80**	**6.11**	**4.54**	**2,103.18**	**13.97**	**351.79**
Net block as at 31 March 2018	**21.10**	**16.98**	**350.19**	**2,002.34**	**11.40**	**5.26**	**8.28**	**2,415.55**	**16.48**	**386.02**

4.1 Gross block of leasehold land includes land amounting to ₹ 16.98 crores (previous year: ₹ 16.98 crores) obtained on lease from local authorities under licensing arrangement and pending execution of the related lease agreements.

4.2 Buildings include buildings which have been constructed on land acquired on lease from various Government Authorities. (refer note 36)

4.3 The expenditure incidental to setting up of project is included in capital work-in-progess (CWIP) which is apportioned to the property,plant and equipment on completion of project. The Company has capitalised salary, wages and bonus amounting to ₹ 6.28 crores (previous year ₹ 6.00 crores) to the cost of property, plant and equipment /capital work-in-progress.

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5 Non current financial assets- investments

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Investments in equity instruments (at cost)		
Trade (unquoted)		
Investments in associates:		
(a) Central UP Gas Limited (Incorporated in India, operating in cities of Kanpur and Bareily)		
Proportion of Company's ownership	50%	50%
30,000,000 (31 March 2017: 30,000,000) equity shares of RS. 10 each fully paid up in Central UP Gas Limited purchased at ₹ 23 per share.	68.12	69.17
Incidental expenses amounting to ₹ 0.17 crores included in the cost of investment		
(b) Maharashtra Natural Gas Limited (Incorporated in India, operating in city of Pune and adjoining areas)		
Proportion of Company's ownership	50%	50%
50,000,000 (31 March 2017: 50,000,000) equity shares of ₹ 10 each fully paid up in Maharashtra Natural Gas Limited purchased at ₹ 38 per share.	190.00	190.00
	258.12	**259.17**
Aggregate amount of carrying value of unquoted investment	258.12	259.17

Note:Change in investment's carrying amount during the current year is due to adjustment of pre-acquisition dividend recevied from Central UP Gas Limited.

6 Loans

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(Unsecured and considered good)		
Security deposits	8.37	7.77
	8.37	**7.77**

7 Other financial assets

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Balance with banks in fixed deposits		
(under lien against bank guarantee)	0.30	0.30
	0.30	**0.30**

8 Income-tax assets (net)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Advance tax (net of provisions)	11.04	1.82
Income-tax demand paid under protest	3.99	-
	15.03	**1.82**

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9 Other non-current assets

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances	7.98	2.79
Prepaid expenses	20.53	11.25
Others	17.19	4.03
	45.70	**18.07**

10 Inventories

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Natural gas	3.14	2.74
Stores and spares	52.90	53.80
Less: Provision for obsolete and slow moving stores and spares	(3.67)	(4.82)
	49.23	48.98
	52.37	**51.72**

11 Current financial assets - investments

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Investment in mutual funds (unquoted)	889.57	417.87
	889.57	**417.87**
Aggregate amount of carrying value of unquoted investment	**889.57**	417.87

11.1 Details of units and values

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) 528,406.20 units (31 March 2017: 252,818.872) in Axis Liquid Fund	101.85	25.30
(b) 3,395,611.639 units (31 March 2017: Nil) in Aditya Birla Sun Life Cash Plus	94.84	-
(c) Nil units (31 March 2017: 249,979.634) in BNP Paribas Overnight Fund	-	25.02
(d) Nil units (31 March 2017: 249,845.097) in BOI Axa Liquid Fund	-	25.05
(e) 1,366,252.326 units (31 March 2017: 2,495,636.44) in DHFL Pramerica Instacashplus Fund	30.85	25.03
(f) Nil units (31 March 2017: 25,044,657.7176) in DHFL Premerica Ultra Short Term	-	25.09
(g) Nil units (31 March 2017: 26,298,863.362) in Franklin India Ultrashort Bond Fund	-	26.47
(h) Nil units (31 March 2017: 9,544,323.499) in HSBC Cash Fund	-	9.55
(i) 4,173,998.828 units (31 March 2017: 1,897,890.244) in ICICI Prudential Money Market Fund	100.37	19.01
(j) Nil units (31 March 2017: 2,50,074.521) in IDFC Cash Fund	-	25.05
(k) Nil units (31 March 2017: 2,53,286.673) in India Bulls Liquid Fund	-	25.36
(l) Nil units (31 March 2017: 24,018,714.701) in JM High Liquidity Fund	-	25.05

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11.1 Details of units and values

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(m) 386,970.268 units (31 March 2017: 161,981.921) in L & T Liquid Fund	92.21	16.41
(n) Nil units (31 March 2017: 180,494.622) in LIC MF Liquid Fund	-	19.81
(o) Nil units (31 March 2017: 253,331.017) in Mahindra Liquid Fund	-	25.34
(p) 366,246.783 units (31 March 2017: Nil) in Reliance Liquid Fund	102.82	-
(q) Nil units (31 March 2017: 149,548.628) in SBI Magnum Insta Cash	-	25.05
(r) Nil units (31 March 2017: 24,797,037.101) in Sundaram Money Fund	-	25.05
(s) 545,159.307 units (31 March 2017: Nil) in IDBI Liquid Fund	101.43	-
(t) Nil units (31 March 2017: 233,152.224) in UTI Floating Rate Fund	-	25.10
(u) 343,853.009 units (31 March 2017: Nil) in UTI Money Market	67.04	-
(v) 425,740.711 units (31 March 2017: Nil) in Invesco India Liquid Fund	101.84	-
(w) 69,907.135 units (31 March 2017: Nil) in DSP BlackRock Liquidity Fund	17.37	-
(x) 3,070,190.191 units (31 March 2017: Nil) in ICICI Prudential Liquid Fund	78.95	-
(y) Nil units (31 March 2017: 249,078.437) in Baroda Treasury Advance Fund Plan B	-	25.13
Total	**889.57**	**417.87**

12 Trade receivables

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables	209.12	191.85
Receivables from related parties (refer note 41)	19.41	12.02
	228.53	**203.87**
Less: Allowance for expected credit losses	2.39	2.48
Total receivables	**226.14**	**201.39**

12.1 Break up of security details

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables		
i. Secured, considered good	79.51	70.37
ii. Unsecured, considered good	146.63	131.02
iii. Unsecured, considered doubtful	2.39	2.48
	228.53	**203.87**
Impairment allowances (allowances for expected credit losses)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	(2.39)	(2.48)
Total trade receivables	**226.14**	**201.39**

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

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13 Cash and cash equivalents

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
i. Balances with banks in current accounts	29.07	22.07
ii. Cash on hand	5.01	4.86
iii. Balances with banks in fixed deposits with maturity of less than three months	169.60	98.64
	203.68	**125.57**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

14 Bank balances other than cash and cash equivalents

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Balances with banks in fixed deposits with maturity of more than three months	350.00	482.49
(b) Earmarked balances with banks in current accounts-Unpaid dividends	0.56	0.53
(c) Earmarked balances with banks in current accounts- Escrow account	3.79	-
	354.35	**483.02**

15 Loans

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits		
- Considered good	6.48	2.49
- Considered doubtful	3.00	4.50
Less: Provision for expected credit losses	(3.00)	(4.50)
	6.48	**2.49**

15.1 Security deposits shown as loans to related parties comprise of :

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits with GAIL (India) Limited	0.10	0.51
(b) Security deposits with Bharat Petroleum Corporation Limited (same are considered good)	0.01	0.01
	0.11	**0.52**

16 Other current financial assets

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Unbilled revenue	21.43	16.34
(b) Interest accrued on fixed deposits	6.34	5.09
	27.77	**21.43**

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17 Other current assets

(₹ in Crores)

Particulars		As at 31 March 2018	As at 31 March 2017
(a)	CENVAT recoverable	4.04	14.62
(b)	Prepaid expenses	14.07	10.18
(c)	Employee advances	0.28	0.44
(d)	Advances to vendors	1.49	0.01
(e)	Advances to others	1.50	0.96
(f)	Others	0.85	0.36
		22.23	**26.57**

The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the financial statements.

18 Share capital

Particulars		As at 31 March 2018		As at 31 March 2017	
		Number of shares	(₹ in crores)	Number of shares	(₹ in crores)
(a)	Authorised Equity shares of ₹ 2 each (previous year ₹ 10 each)	**1,10,00,00,000**	**220.00**	**22,00,00,000**	**220.00**
(b)	Issued, subscribed and fully paid up Equity shares of ₹ 2 each (previous year ₹ 10 each)	**70,00,00,800**	**140.00**	**14,00,00,160**	**140.00**

18.1 Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 2 each (previous year ₹10 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

18.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	(₹ in crores)	Number of shares	(₹ in crores)
Shares outstanding at the beginning/ end of the year	700,000,800*	140.00	14,00,00,160	140.00

*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹ 10 into five equity shares having a face value of ₹ 2 each. Consequently, the total number of equity shares of the Company increased to 700,000,800 shares of ₹ 2 each (previous year 140,000,160 shares of ₹ 10 each).

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18.3 Details of shares held by each shareholder holding more than 5% shares:

		As at 31 March 2018		As at 31 March 2017	
		Number of shares	% holding	Number of shares	% holding
(a)	GAIL (India) Limited	15,75,00,000	22.50%	3,15,00,000	22.50%
(b)	Bharat Petroleum Corporation Limited	15,75,00,400	22.50%	3,15,00,080	22.50%
(c)	Life Insurance Corporation of India	3,68,65,462	5.27%	-	-

Note: Life Insurance Corporation of India held less than 5% of the Company's shares as at 31 March 2017.

18.4 The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet.

18.5 During the current year the Company paid dividend of ₹ 5.00 per equity share for financial year 2016-17 amounting to ₹ 70 crores (excluding dividend distribution tax of ₹ 14.25 crores) [in financial year 2016-17 ₹ 6.00 per equity share for financial year 2015-16 amounting to ₹ 84 crores (excluding dividend distribution tax of ₹ 17.10 crores) and interim dividend of ₹ 3.50 per equity share for financial year 2016-17 amounting to ₹ 49 crores (excluding dividend distribution tax of ₹ 9.98 crores)].

19 Other equity

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) General reserve:	303.50	303.50
Balance as at the beginning/ end of the year		
(b) Retained earnings:		
Opening balance	2,483.06	2,072.93
Profit for the year	670.77	571.07
Dividends distributed to equity shareholders (refer note no: 18.5 above)	(70.00)	(133.00)
Dividend distribution tax on dividend paid on equity share capital (refer note 18.5 above)	(14.25)	(27.08)
	3,069.58	**2,483.92**
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(0.18)	(0.86)
Closing balance	**3,069.40**	**2,483.06**
	3,372.90	**2,786.56**

20 Non-current employee benefit obligations

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefit obligations (refer note 40)	12.83	20.34
	12.83	**20.34**

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21 Deferred tax liabilities (net)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Deferred tax liability on:		
Difference between book balance and tax balance of property, plant and equipment.	234.03	203.31
Others	-	0.53
	234.03	**203.84**
(b) Deferred tax assets on:		
Provision for employee benefit obligations	4.89	7.75
Provision for obsolete and slow moving stores and spares	1.95	2.06
Provision for expected credit loss on trade receivables and security deposits	1.88	2.41
Others	-	11.00
Total	**8.72**	**23.22**
	225.31	**180.62**

21.1 Movements in deferred tax liabilities and deferred tax assets

(₹ in Crores)

Particulars	Property, plant and equipment	Gratuity and compensated absences	Other provisions
As at 31 March 2016	173.20	(5.23)	(2.95)
Charged/(credited) to the statement of profit or loss	30.11	(2.04)	(11.99)
(Credited) to other comprehensive income	-	(0.48)	-
As at 31 March 2017	**203.31**	**(7.75)**	**(14.94)**
Charged/(credited) to the statement of profit or loss	30.72	2.76	11.12
Charged/(credited) to other comprehensive income	-	0.09	-
As at 31 March 2018	**234.03**	**(4.90)**	**(3.82)**

22 Other non-current liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Others	0.81	-
	0.81	**-**

23 Current financial liabilities- Trade payables

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Total outstanding dues-other than acceptances		
(a) Trade payable *	261.65	173.24
(b) Trade payable to related parties (refer note 41)	76.93	100.76
	338.58	**274.00**

*includes amount due to micro enterprises and small enterprises (refer note 39)

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24 Other current financial liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits from customers (refer note 37)	544.65	482.63
(b) Unclaimed dividends#	0.56	0.53
(c) Security deposits from vendors	5.17	2.55
(d) Employee benefits payable	23.13	20.16
(e) Payable towards property, plant and equipment *	224.19	143.13
	797.70	**649.00**

not due for deposit to the Investor Education and Protection fund.

*includes amount due to micro enterprises and small enterprises (refer note 39)

25 Current- Employee benefit obligations

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefit obligations (refer note 40)	0.91	0.66
	0.91	**0.66**

26 Other current liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Excess payments received from customers	20.36	15.19
(b) Statutory dues payable	13.55	10.98
(c) Advance received for shifting of pipeline	4.09	8.78
(d) Others	1.12	-
	39.12	**34.95**

27 Revenue from operations

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Sale of natural gas (including excise duty)	5,052.53	4,205.43
(b) Other operating revenues	19.04	17.08
	5,071.57	**4,222.51**

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28 Other income

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Interest income from banks	21.89	16.33
(b) Dividend income from :		
- Mutual fund investments	4.27	26.43
- Associates	9.49	19.30
(c) Profit on sale of mutual funds	51.25	-
(d) Net gain arising on debt mutual funds designated as at fair value through profit or loss	10.22	-
(e) Liabilities/provisions no longer required, written back	1.71	-
(f) Other non operating income	3.30	3.16
	102.13	**65.22**

29 Cost of natural gas

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Natural gas	2,491.81	2,083.98
	2,491.81	**2,083.98**

30 (Increase) in stock of natural gas

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Closing stock of natural gas	3.14	2.74
(b) Opening stock of natural gas	2.74	2.48
	(0.40)	**(0.26)**

31 Employee benefits expense

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Salaries and wages	92.01	82.29
(b) Contribution to provident fund and other funds	3.35	3.00
(c) Staff welfare expenses	10.69	6.42
	106.05	**91.71**

32 Finance costs

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Finance cost on defined benefit obligations	1.58	1.21
(b) Other finance costs	0.11	-
	1.69	**1.21**

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33 Other expenses

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Operating expenses at CNG stations	160.56	107.55
(b) Facility charges	58.75	40.67
(c) Stores and spares consumed	20.93	25.73
(d) Power and fuel	173.69	149.09
(e) Rent	92.49	92.16
(f) Hire charges:		
- Vehicle	22.75	16.36
- Equipment	0.86	0.35
(g) Rates and taxes	1.82	1.75
(h) Repairs and maintenance:		
- Buildings	11.06	3.52
- Plant and equipment	192.27	144.22
(i) Security expenses	44.44	30.72
(j) Insurance	1.62	1.46
(k) Cash/cheque collection charges	6.87	5.59
(l) Legal and professional fees	13.22	9.87
(m) Auditor's remuneration (refer note 33.1)	0.48	0.57
(n) Travelling and conveyance	4.52	3.70
(o) Office maintenance	5.75	4.60
(p) Advertisement expenses	10.19	5.41
(q) Loss on fixed assets sold or discarded (net)	9.61	0.24
(r) Provision for expected credit loss/ bad debts written off	-	1.43
(s) Provision for obsolete and slow moving stores and spares	1.07	3.11
(t) Net loss on foreign currency transaction and translations	-	0.14
(u) Corporate social responsibility (CSR) activity expenses (refer note 38)	11.60	6.52
(v) Miscellaneous expenses	36.79	20.84
	881.34	**675.60**

33.1 Payment to the statutory auditors as:

(a) Auditor	0.47	0.54
(b) For reimbursement of expenses	0.01	0.03
	0.48	**0.57**

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34 Contingent liabilities

(a) Demand raised by Excise authorities

The Company had received a show cause notice dated 5 June 2012 from the Directorate General of Central Excise Intelligence for not paying excise duty on the facility discount paid to Delhi Transport Corporation from December 2008 to August 2010 and raised a demand of ₹ 2.42 crores (previous year ₹ 2.42 crores) which the Company duly deposited and, however, filed an appeal on 20 August 2013 with the Commissioner of Central Excise. The demand was confirmed by the Commissioner of Excise in its order dated 30 September 2013 and a penalty of ₹ 2.42 crores (excluding interest) was imposed on the Company. The Company filed an appeal on 10 January 2014 against the demand including penalty with Central Excise and Service Tax Appellate Tribunal and the stay has been granted by the tribunal against the demand. The case is remanded back to the assessing authority by Central Excise and Service Tax Appellate Tribunal to submit additional documents along with other evidence.

(b) Demand raised by income-tax authorities

In respect of assessment year 2013-14 and 2014-15, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of ₹ 2.51 crores and ₹ 2.01 crores for the assessment year 2013-14 and 2014-15 respectively including interest. Out of the said demand, ₹ 4.01 crores has been adjusted against the refund for the assessment year 2014-15 and demand order for the balance amount of ₹ 0.51 crores has been issued by the Department for assessment year 2013-14. The Company had filed an appeal with Commissioner of Income-tax (Appeals) which was ruled in favour of the revenue. The Company has further challenged the Order of Commissioner of Income tax (Appeals) in Income-Tax Appellate Tribunal. The Company has also deposited ₹ 0.20 crores during the year against the demand of ₹ 0.51 crores for the assessment year 2013-14 . In respect of assessment year 2011-12, 2012-13 and 2015-16, the assessing officer had disallowed additional depreciation claimed by the Company on addition of assets pertaining to the CNG business. The department has raised a demand of ₹ 8.23 crores, ₹ 10.68 crores and ₹ 1.09 crores for the assessment year 2011-12, 2012-13 and 2015-16 respectively. Out of the said demand, ₹ 1.65 crores and ₹ 2.14 crores has been deposited for the assessment year 2011-12 and 2012-13 respectively and ₹ 1.09 crores has been adjusted against the refund of assessment year 2015-16. The Company has filed appeals with Commissioner of Income Tax (Appeals) against the decision of the Income-tax department. The Company is of the view that such disallowance is not tenable and accordingly no provision has been made for the said demands.

(c) Bank guarantees

The Company's total liability towards un-expired bank guarantees is ₹ 0.25 crores (previous year ₹ 0.25 crores).

(d) Demand raised by Delhi Development Authority (DDA)

Delhi Development Authority (DDA) has raised a total demand of ₹ 155.64 crores during 2013-14 on account of increase in license fees in respect of sites taken by the Company on lease from DDA for setting up compressed natural gas (CNG) stations in Delhi. The increase in license fees was related to the period 1 April 2007 to 31 March 2014. The Company has filed a writ petition on 11 October 2013 before the Hon'ble Delhi High Court against the demand raised by DDA as the revised license fees has been increased manifold and made applicable retrospectively from financial year 2007-08. Further, DDA vide communication dated 29 August 2016 has revised the total demand to ₹ 330.73 crores for the period upto 31 March 2016. The same was also reported in the previous year as a contingent liability.

The matter is pending in the Hon'ble High Court of Delhi and the Company is of the view that such demand is not tenable and accordingly no provision has been made for this aforementioned demand raised by DDA in the books of accounts.

(e) Apart from those disclosed above, the Company has certain ongoing litigations involving customers, vendors and employees. Based on legal advice of

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in house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

35 Bank guarantees

(i) During the year, the Company has been granted authorization for laying, building, operating and expanding City Gas Distribution (CGD) network in the geographical area of Karnal (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has submitted a performance bank guarantee of ₹ 1,236.00 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years. Also during the previous year, the Company has been granted authorization for laying, building, operating and expanding CGD network in the geographical area of Rewari (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has submitted a performance bank guarantee of ₹ 1,052.36 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years.

(ii) The Company's commitment towards unexpired bank guarantees other than above mentioned in point (i) is ₹ 368.41 crores (previous year ₹ 310.91 crores) given in the ordinary course of business.

36 The Company has installed various CNG Stations on land leased from various government authorities for periods ranging from one to five years. However, assets constructed/installed on such land are depreciated generally at the rates specified in Schedule II to the Companies Act, 2013, as the management does not foresee non-renewal of the above lease arrangements by the authorities. The net block of such assets amounts to ₹ 267.60 crores (previous year ₹ 241.45 crores).

37 Security deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as current liabilities as every customer has a right to request for termination of supply and the Company does not have a contractual right to delay payment for more than 12 months.

38 As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Company's CSR programs/projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

a) Gross amount required to be spent by the Company during the year is ₹ 14.30 crores (previous year ₹ 12.17 crores)

b) Amount spent during the year on CSR

(₹ in Crores)

S. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above:	11.60	-	11.60
	-Empowerment of women and girl child	1.63	-	1.63
	-Eradication of poverty	0.15	-	0.15
	-Promotion of healthcare and sanitation	4.21	-	4.21
	-Promotion of education	4.61	-	4.61
	-Others	1.00	-	1.00

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39 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Crores)

Particulars		Year ended 31 March 2018	Year ended 31 March 2017
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount due to Micro, Small and Medium Enterprises	126.15	28.16
	- Interest due on above	0.11	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.11	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

40 Employee benefits:

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the amount recognized in the balance sheet for the respective plans.

(₹ in Crores)

	Gratuity benefits	
Particulars	**Year ended 31 March 2018**	**Year ended 31 March 2017**
Change in present value of the benefit obligations are as follows:		
Present value of obligations at the beginning of the year	8.89	6.19
Current service cost	1.00	0.92
Interest cost	0.67	0.49
Actuarial (gain)/loss on obligation	0.27	1.34
Benefits paid	(0.12)	(0.05)
Past service cost including curtailment gains/losses	0.18	-
Present value of obligation at the year end	**10.89**	**8.89**
Current portion of obligation as at the end of the year	0.37	0.20
Non-current portion of obligation as at the end of the year	10.52	8.69
	10.89	**8.89**

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40 Employee benefits (contd.)

(₹ in Crores)

Particulars	Gratuity benefits	
	Year ended 31 March 2018	Year ended 31 March 2017
Change in plan assets		
Fair value of plan asset at the beginning of the year	-	-
Employer contribution	8.79	-
Mortality Charges	-	-
Fair value of plan asset at the end of the year*	**8.79**	-

*The fund is managed by Life Insurance Corporation of India and category-wise composition of plan assets is not available with the Company.

Expenses recognised in the statement of profit and loss:		
Current service cost	1.00	0.92
Past service cost including curtailment gains/losses	0.18	-
Interest cost in benefit obligation	0.67	0.49
Total expense recognised in statement of profit and loss	**1.85**	**1.41**
Expense recognised in other comprehensive income		
Actuarial (gain)/loss recognised during the year	0.27	1.34
Breakup of actuarial (gain)/loss on defined benefit obligation:		
Actuarial (gain)/loss on arising from change in financial assumption	0.38	1.47
Actuarial (gain)/loss on arising from experience adjustment	(0.11)	(0.13)
Total actuarial (gain)/loss	**0.27**	1.34

Actuarial assumptions used

Particulars	Year ended 31 March 2018	Year ended 31 March 2018
Discount rate	7.80%	7.54%
Expected salary escalation rate	6.50%	6.50%

Notes:

1. The discount rate is based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liability.
2. The estimates for future salary increase rate takes account of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

40 Employee benefits (contd.)

Demographic assumptions used

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Mortality table	IALM(2006-08)	IALM(2006-08)
Retirement age	60 Years	60 Years
Withdrawal rates		
Upton 30 Years	3	3
From 31 to 44 Years	2	2
Above 44 Years	1	1

(₹ in Crores)

Experience adjustment:

	2018	2017	2016	2015	2014
Present value of defined benefit obligation	10.89	8.89	6.19	4.66	3.31
Experience (loss)/ gain on liability	(0.11)	(0.12)	0.96	0.02	(0.45)

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2018.

(₹ in Crores)

	As at 31 March 2018		As at 31 March 2017	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
(Decrease)/ increase in the defined benefit liability	(1.37)	1.51	(0.62)	0.68
Salary growth rate				
(Decrease)/ increase in the defined benefit liability	1.52	(1.39)	0.69	(0.63)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

During the current year, the Company has established a trust with Life Insurance Corporation of India to fund obligation with respect to its gratuity plan. The Company's liability on account of gratuity is ascertained by actuarial valuer.

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

40 Employee benefits (contd.)

Defined contribution plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 3.35 crores for provident fund contributions (previous year ₹ 3.00 crores) in the statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

41 Related party disclosures:

List of related parties:

(a) Entities having significant influence over the Company (promoter venturers)

i. GAIL (India) Limited
ii. Bharat Petroleum Corporation Limited

(b) Entities over which the Company exercises significant influence

i. Central UP Gas Limited
ii. Maharashtra Natural Gas Limited

(c) Entities controlled by a major shareholder

i. GAIL Gas Limited (controlled by GAIL (India) Limited

(d) Entities which are joint ventures of GAIL (India) Limited

i. Petronet LNG Limited
ii Green Gas Limited

(d) Key managerial personnel (KMPs):

i.	Mr. Narendra Kumar	Managing Director (till 31 May 2016)
ii.	Mr. E.S. Ranganathan	Managing Director (with effect from 1 June 2016)
iii.	Mr. V. Nagarajan	Director (Commercial)

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

41 Related party disclosures (contd.):

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
GAIL (India) Limited		
Transactions during the year:		
Purchase of natural gas (including VAT)	2,126.65	1,852.67
Transportation charges	23.37	16.48
Sale of natural gas	2.81	2.31
Salaries, allowances and other related payments	1.42	1.00
Rent	0.05	1.46
Reimbursement of expenses	0.01	0.04
Road restoration charges	0.15	0.36
Bonus (profit sharing)	0.15	0.15
Other expenses	0.01	0.03
Advance paid for hooking up of shippers facilities	16.93	4.03
Purchase of property, plant and equipment	1.94	-
Sale of property, plant and equipment	0.35	-
Reimbursement of advertisement expenses paid by IGL	1.29	-
Security deposit refund received	0.41	-
Standby letter of credit/ bank guarantee issued/renewed	254.26	219.06
Dividend paid	15.75	29.93
Balance outstanding as at the year end:		
Trade payables	39.34	82.79
Trade receivables	1.75	-
Security deposit paid	0.10	0.51
Bank guarantee outstanding at the year end	254.26	219.06
Advance paid for hooking up of shippers facilities	16.93	4.03
Bharat Petroleum Corporation Limited		
Transactions during the year:		
Sale of CNG (gross)	322.56	248.45
Salaries, allowances and other related payments	0.69	0.52
Reimbursement of electricity expenses	13.37	10.95
Facility charges	14.13	7.51
Purchases of natural gas	237.85	182.79
Purchases of lubricants	0.34	0.09
Purchase of petrol/diesel	0.11	-
Security deposit paid	0.01	-
Bonus (profit sharing)	0.15	0.15
Road restoration charges	0.01	-
Other expenses	-	0.04
Earnest Money Deposit received	0.04	-
Standby letter of credit/ bank guarantee issued/renewed	30.73	19.73
Dividend paid	15.75	29.93

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

41 Related party disclosures (contd.):

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance outstanding as at the year end:		
Trade payables	31.97	12.01
Trade receivables	15.07	12.02
Security deposit paid	0.01	0.01
Earnest Money Deposit received	0.04	-
Bank guarantee outstanding at the year end	30.73	19.73
Central UP Gas Limited		
Transactions during the year:		
Dividend received	5.10	6.60
Sitting fees received	0.05	0.04
Reimbursement of advertisement expenses paid by IGL	0.65	-
Balance outstanding as at the year end:		
Trade receivable	0.65	-
Maharashtra Natural Gas Limited		
Transactions during the year:		
Dividend received	4.39	12.70
Sitting fees received	0.03	0.01
GAIL Gas Limited		
Transactions during the year:		
Purchase of natural gas	132.89	95.24
Reimbursement of advertisement expenses paid by IGL	1.29	-
Standby letter of credit/ bank guarantee issued/renewed	8.46	11.96
Balance outstanding as at the year end:		
Trade payables	5.62	5.96
Trade receivable	1.29	-
Bank guarantee outstanding at the year end	8.46	8.46
Petronet LNG Limited		
Transactions during the year:		
Purchase of natural gas	0.75	-
Standby letter of credit/ bank guarantee issued/renewed	0.75	-
Balance outstanding as at the year end:		
Trade receivable	-	-

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

41 Related party disclosures (contd.):

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Green Gas Limited		
Transactions during the year:		
Reimbursement of advertisement expenses paid by IGL	0.65	-
Balance outstanding as at the year end:		
Trade receivable	0.65	-
Key managerial personnel: Direct reimbursements#		
Transactions during the year:		
Mr. Narendra Kumar	-	0.003
Mr. E.S. Ranganathan	0.014	0.008
Mr. V. Nagarajan	0.055	0.076

Direct reimbursements made as per terms of employment/entitlements

42 Income-tax expense

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Income-tax expense		
Current tax		
Current tax on profits for the year	316.94	273.54
Total current tax expense	316.94	273.54
Deferred tax		
Decrease/ (increase) in deferred tax assets	14.59	(14.03)
Increase in deferred tax liabilities	30.19	30.11
Total deferred tax expense	44.78	16.08
Income tax expense reported in the statement of profit or loss	361.72	289.62
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on remeasurements of defined benefit plans	(0.09)	(0.48)
Tax expense	**361.63**	**289.14**

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

42 Income-tax expense (contd.):

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income-tax expense	1,032.49	860.69
Tax at the Indian tax rate of 34.608% (2016-17 – 34.608%)	357.32	297.87
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non deductible expenses	4.30	2.34
Effect of disallowances	1.32	2.76
Income exempt from tax	(4.76)	(15.83)
Others	3.45	2.00
Income-tax expense	**361.63**	**289.14**

43 Financial instruments by category

(₹ in Crores)

Particulars	As at 31 March 2018		As at 31 March 2017	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non current financial assets				
Loans		8.37		7.77
Balance with banks in fixed deposits (under lien against bank guarantee)		0.30		0.30
Current financial assets				
Investments	889.57		417.87	
Trade receivable		226.14		201.39
Cash and cash equivalents		203.68		125.57
Bank balances other than cash and cash equivalents		354.35		483.02
Unbilled revenue		21.43		16.34
Interest accrued on fixed deposits		6.34		5.09
Security deposits with related parties and others		6.48		2.49
Total financial assets	**889.57**	**827.09**	**417.87**	**841.97**
Current financial liabilities				
Trade payables		338.58		274.00
Security deposits from customers		544.65		482.63
Unclaimed dividends		0.56		0.53
Employee benefits payable		23.13		20.16
Payable towards property, plant and equipment		224.19		143.13
Security deposits from vendors		5.17		2.55
Total financial liabilities	**-**	**1,136.28**	**-**	**923.00**

Note :

Investments in associates as at the close of the year ended 31 March 2018, 31 March 2017 are carried at cost, per the exemption availed by the Company. Hence the same has not been considered in the above table.

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

44 Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2018 and 31 March 2017.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2017 and 31 March 2018 as follows:

(₹ in Crores)

	Level 1	Level 2	Level 3	Total
As at 31 March 2017				
Investment in mutual funds	417.87	-	-	417.87
Total	**417.87**	**-**	**-**	**417.87**
As at 31 March 2018				
Investment in mutual funds	889.57	-	-	889.57
Total	**889.57**	**-**	**-**	**889.57**

The investments in mutual funds have been fair valued per net asset value (NAV) as at reporting date.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Security deposits received have not been fair valued as the same are repayable on demand, so there is no fixed term available for the purpose of discounting. Further, security deposits given have not been fair valued as the impact of the fair valuation is not material.

45 Financial risk management

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

(i) Foreign currency risk

The Company is exposed to foreign exchange risk mainly through its purchases of capital items from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies to manage its risks.

The Company's foreign currency exposure on accounts payable that have not been hedged by a derivative instrument or otherwise are given below:

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

45 Financial risk management (contd.):

Currency	As at 31 March 2018		As at 31 March 2017	
	FC	(₹ in crores)	FC	(₹ in crores)
USD	4,86,212	3.16	1,97,313	1.28
EURO	90,221	0.73	18,547	0.13
		3.89		**1.41**

Foreign currency sensitivity

There shall be no material impact on profit before tax due to 1% increase/decrease in foreign exchange rates.

(ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date :

Financial assets for which loss allowance is measured using 12 months Expected Credit Losses **(₹ in Crores)**

Exposure to credit risk	As at 31 March 2018	As at 31 March 2017
Security deposits (non-current)	8.37	7.77
Balance with banks in fixed deposits (under lien against bank guarantee)	0.30	0.30
Cash and cash equivalents (except cash in hand)	198.67	120.71
Other bank balances	354.35	483.02
Unbilled revenue	21.43	16.34
Interest accrued on fixed deposits	6.34	5.09
Security deposits with related parties and others	6.48	2.49
	595.94	**635.72**
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses		
Trade receivables	228.53	203.87

An analysis of age of trade receivables at each statement of financial position date is summarized as follows:

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
upto 1 year	222.93	197.16
upto 2 years	1.73	3.02
upto 3 years	1.49	1.86
upto 4 years	1.19	0.88
upto 5 years	0.82	0.46
More than 5 years	0.37	0.49
	228.53	**203.87**

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

45 Financial risk management (contd.):

Expected credit loss

Particulars	As at 31 March 2018	As at 31 March 2017
upto 1 year	0%	0%
upto 2 years	3%	6%
upto 3 years	8%	13%
upto 4 years	23%	35%
upto 5 years	50%	76%
More than 5 years	100%	100%

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks. Further, security deposits paid includes payment made to government agencies which are considered low credit risk

(iii) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each statement of financial position date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

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

As at 31 March 2018 **(₹ in Crores)**

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	338.58	-	**338.58**
Security deposits from customers	544.65	-	**544.65**
Unclaimed dividends	0.56	-	**0.56**
Security deposits from vendors	5.17	-	**5.17**
Employee benefits payable	23.13	-	**23.13**
Payable towards property, plant and equipment	224.19	-	**224.19**
	1,136.28	**-**	**1,136.28**

As at 31 March 2017 **(₹ in Crores)**

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	274.00	-	**274.00**
Security deposits from customers	482.63	-	**482.63**
Unclaimed dividends	0.53	-	**0.53**
Security deposits from vendors	2.55	-	**2.55**
Employee benefits payable	20.16	-	**20.16**
Payable towards property, plant and equipment	143.13		**143.13**
	923.00	**-**	**923.00**

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

45 Financial risk management (contd.):

(iv) Price risk

The Company is not exposed to sensitivity to price risk in regards to its financial assets and liabilities.

(v) Interest risk

The Company's policy is to minimise interest rate cash flow risk exposures. The Company is exposed to the interest rate risk on fixed deposit and on the investment done by the Company in mutual funds. The exposure to the interest rate for the Company's mutual fund and fixed deposit is considered immaterial.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.50% (2016-17: +/-0.50%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(₹ in Crores)

Particulars	Profit for the year		Equity	
	0.50%	0.50%	0.50%	0.50%
31 March 2018	**7.05**	**(7.05)**	**4.61**	**(4.61)**
31 March 2017	**5.00**	**(5.00)**	**3.27**	**(3.27)**

46 Capital management

The Company's capital management objectives are:
a) to ensure the Company's ability to continue as going concern; and
b) to provide an adequate return to stakeholders

For the purpose of Company's capital management, capital includes issued equity capital. The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, less cash and cash equivalents.

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings	-	-
Less: Cash and cash equivalents	(203.68)	(125.57)
Borrowings (net of cash and cash equivalents)	**-**	**-**
Capital employed	3,512.90	2,926.56
Total capital employed	**3,512.90**	**2,926.56**
Gearing ratio	0%	0%

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

47 Capital and other commitments

(a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Property, plant and equipment	366.21	277.03
	366.21	**277.03**

(b) Other commitments

The Company has entered into long-term agreements for purchase of natural gas upto maximum quantity of 0.58 million standard cubic meters (SCM)/ day till 2028 with different suppliers. These agreements have 'take or pay' clause which shall be applicable in case gas off take is less than the contractual quantity as defined in the agreement and the same can be adjusted against make up quantity to be taken in the subsequent years. As at the balance sheet date, the management does not foresee any liability on account of said obligation.

48 Earnings per share

Particulars	Units	Year ended 31 March 2018	Year ended 31 March 2017
Net profit attributable to shareholders	₹ crores	670.77	571.07
Weighted average number of equity shares	No. in crores	70.00	70.00
Nominal value per share	₹	2.00	2.00
Basic earning per share of ₹ 2 each	₹	9.58	8.16

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

Note: The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹ 10 into five equity shares having a face value of ₹ 2 each. The record date for the sub-division was 10 November 2017. Accordingly, each equity share having face value of ₹ 10 each was sub-divided into five equity shares of ₹ 2 each and per share information above have been restated to reflect the effect of this sub-division for the year ended 31 March 2017.

Standalone Summary of Significant Accounting Policies and other Explanatory Information

for the year ended 31 March 2018

49 The Company is primarily engaged in the business of providing natural gas. Hence, as per the chief operating decision maker the sale of natural gas has been considered as a single operating segment per Ind AS 108 'Operating Segment' and accordingly disclosures have been limited to single operating segment.

50 During the previous year ended 31 March 2017, an amount of ₹ 31.51 crores was provided in the books of account towards estimated revision in trade margin and facility charges payable to Oil Marketing Companies (OMCs) for the sale of CNG from their respective outlets based on the ongoing negotiations with them in the previous year. During the current year, the rates for the aforementioned trade margin and facility charges have been finalised retrospectively and accordingly, an amount of ₹ 15.92 crores and ₹ 0.30 crores pertaining to previous years has been written back from the respective heads.

51 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2018 and the date of authorisation of the Company's standalone financial statements. However, the Board of Directors have recommended a final dividend of 100% i.e.₹ 2.00 (previous year ₹ 5.00) on equity shares of ₹ 2 (previous year ₹ 10) each for the year ended 31 March 2018, subject to approval of shareholders at the ensuing annual general meeting.

52 The standalone financial statements for the year ended 31 March 2018 were approved by the Board of Directors on 23 May 2018.

See accompanying notes forming part of the standalone financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN: 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Comments of the Comptroller and Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Indraprastha Gas Limited for the year ended 31 March 2018.

The preparation of financial statements of Indraprastha Gas Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 23 May 2018.

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

For and behalf of the
Comptroller and Auditor General of India

Sd/-
(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place: New Delhi
Date: 30.07.2018

Independent Auditor's Report

To
The Members of
Indraprastha Gas Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Indraprastha Gas Limited (the 'Company') and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the 'Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors of the Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of a associate, the aforesaid consolidated 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, of the consolidated state of affairs (consolidated financial position) of the Company and its associates as at 31 March 2018, their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

9. The consolidated financial statements also include the Company's share of net profit (including other comprehensive income) of ₹ 22.91 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by the other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

   Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

10. The consolidated financial statements also include the Company's share of net profit (including other comprehensive income) of ₹ 48.88 crores for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Company.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of the associates, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors of the Company and taken on record by the Board of Directors of the Company and the report of the other statutory auditor of its associate company, none of the directors of the Company and the said associate company, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and one of its associate company, referred in paragraph 9 above and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the associate:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associate as detailed in Note 34 to the consolidated financial statements;

(ii) The Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company and its associate company during the year ended 31 March 2018; and

(iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable..

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Annexure A to the Independent Auditor's Report of even date to the members of Indraprastha Gas Limited to the Consolidated Financial Statements for the year ended 31 March 2018

Annexure A

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

1. Annexure A of the Indraprastha Gas Limited on the Consolidated financials statements for the year ended 31st March, 2018. In conjunction with our audit of the consolidated financial statements of Indraprastha Gas Limited (the 'Company') and one of its associates, as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company and its associate company, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Company and one of its associate company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion and based on the consideration of the report of the other auditor of the associate company, the Company and its associate company, have, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company and its associate company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. The consolidated financial statements include the Company's share of net profit (including other comprehensive income) of ₹ 22.91 crores for the year ended 31 March 2018, in respect of one associate company, which is a company covered under the act, whose IFCoFR has not been audited by us. The IFCoFR in so far as it relates to such associate company has been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Company and its associate company, as aforesaid, under Section 143(3)(i) of the Act insofar as it relates to such associates company, is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this above matter with respect to our reliance on the work done by and the report of the other auditor.

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

Sd/-
per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: 23 May 2018

Consolidated Balance Sheet as at 31 March 2018

(₹ in Crores)

		Note	As at 31 March 2018	As at 31 March 2017
A	**Assets**			
1	**Non-current assets**			
	a) Property, plant and equipment	4	2,415.55	2,103.18
	b) Capital work-in-progress	4	386.02	351.79
	c) Intangible assets	4	16.48	13.97
	d) Investments accounted for using the equity method	5	426.43	366.06
	e) Financial assets			
	(i) Loans	6	8.37	7.77
	(ii) Other financial assets	7	0.30	0.30
	f) Income-tax assets (net)	8	15.03	1.82
	g) Other non-current assets	9	45.70	18.07
	Total non-current assets		**3,313.88**	**2,862.96**
2	**Current assets**			
	a) Inventories	10	52.37	51.72
	b) Financial assets			
	(i) Investments	11	889.57	417.87
	(ii) Trade receivables	12	226.14	201.39
	(iii) Cash and cash equivalents	13	203.68	125.57
	(iv) Bank balances other than (iii) above	14	354.35	483.02
	(v) Loans	15	6.48	2.49
	(vi) Other financial assets	16	27.77	21.43
	c) Other current assets	17	22.23	26.57
	Total current assets		**1,782.59**	**1,330.06**
	Total assets		**5,096.47**	**4,193.02**
B	**Equity and liabilities**			
1	**Equity**			
	a) Equity share capital	18	140.00	140.00
	b) Other equity	19	3,506.95	2,871.69
	Total equity		**3,646.95**	**3,011.69**
2	**Liabilities**			
	Non-current liabilities			
	a) Employee benefit obligations	20	12.83	20.34
	b) Deferred tax liabilities (net)	21	259.57	202.38
	c) Other non-current liabilities	22	0.81	-
	Total non-current liabilities		**273.21**	**222.72**
	Current liabilities			
	a) Financial liabilities			
	(i) Trade payables	23	338.58	274.00
	(ii) Other financial liabilities [other than those specified in item (b)]	24	797.70	649.00
	b) Employee benefit obligations	25	0.91	0.66
	c) Other current liabilities	26	39.12	34.95
	Total current liabilities		**1,176.31**	**958.61**
	Total liabilities		**1,449.52**	**1,181.33**
	Total equity and liabilities		**5,096.47**	**4,193.02**

See accompanying notes forming part of the consolidated financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Crores)

		Note	Year ended 31 March 2018	Year ended 31 March 2017
1	Revenue from operations	27	5,071.57	4,222.51
2	Other income	28	92.64	45.92
3	Total income (1 + 2)		**5,164.21**	**4,268.43**
4	**Expenses:**			
	(a) Cost of natural gas	29	2,491.81	2,083.98
	(b) (Increase) in stock of natural gas	30	(0.40)	(0.26)
	(c) Excise duty		479.43	407.73
	(d) Employee benefits expense	31	106.05	91.71
	(e) Finance costs	32	1.69	1.21
	(f) Depreciation and amortisation expense	4	181.29	167.07
	(g) Other expenses	33	880.29	675.60
	Total expenses		**4,140.16**	**3,427.04**
5	**Profit before tax and share of profit of associates (3 - 4)**		**1,024.05**	**841.39**
6	Share of profit of associates		71.89	62.53
7	**Profit before tax (5 + 6)**		**1,095.94**	**903.92**
8	Tax expense:	42		
	(a) Current tax		316.94	273.54
	(b) Deferred tax		57.28	24.04
	Total tax expenses		374.22	297.58
9	**Profit for the year (7-8)**		**721.72**	**606.34**
10	Other comprehensive income			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of post employment benefit obligations		(0.27)	(1.34)
	(ii) Share of other comprehensive income of associates		(0.15)	(0.30)
	(iii) Income-tax relating to remeasurement of post employment benefit obligations		0.09	0.48
	(iv) Income-tax relating to share of other comprehensive income of associates		0.05	0.10
	Other comprehensive income for the year, net of tax		(0.28)	(1.06)
11	**Total comprehensive income for the year (9+10)**		**721.44**	**605.28**
12	Earnings per equity share: (face value of ₹ 2 per share)	48		
	Basic/diluted earnings per share (in ₹)		10.31	8.66

See accompanying notes forming part of the consolidated financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

I) Equity share capital

Particulars	Note	Number in crores	₹ in crores
Balance as at 31 March 2016	18	14.00	140.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2017	18	**14.00**	**140.00**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	18	**70.00***	**140.00**

* The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹10 into five equity shares having a face value of ₹ 2 each. Consequently, the total number of equity shares of the Company increased to 700,000,800 shares of ₹ 2 each (previous year 140,000,160 shares of ₹10 each).

II) Other equity

(₹ in Crores)

		Reserves and surplus		
Particulars	**Note**	**General reserve**	**Retained earnings**	**Total**
Balance as at 31 March 2016	**19**	**303.50**	**2,126.92**	**2,430.42**
Dividends paid (including dividend distribution tax)		-	(160.08)	(160.08)
Transactions with owners in their capacity as owners		**-**	**(160.08)**	**(160.08)**
Profit for the year		-	606.34	606.34
Other comprehensive income		-	(1.06)	(1.06)
Corporate dividend tax of associates		-	(3.93)	(3.93)
Balance as at 31 March 2017	**19**	**303.50**	**2,568.19**	**2,871.69**
Dividends paid (including dividend distribution tax)		-	(84.25)	(84.25)
Transactions with owners in their capacity as owners		**-**	**(84.25)**	**(84.25)**
Profit for the year		-	721.72	721.72
Other comprehensive income		-	(0.28)	(0.28)
Corporate dividend tax of associates		-	(1.93)	(1.93)
Balance as at 31 March 2018	**19**	**303.50**	**3,203.45**	**3,506.95**

See accompanying notes forming part of the consolidated financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ in Crores)

		Year ended 31 March 2018	Year ended 31 March 2017
A.	**Cash flow from operating activities:**		
	Profit before tax	1,095.94	903.92
	Adjustments for:		
	- Depreciation and amortisation for the year	181.29	167.07
	- Unrealised foreign exchange (gain)	(0.07)	(0.04)
	- Loss on property, plant and equipment sold or discarded (net)	9.61	0.24
	- Provision for expected credit losses/ Bad debt (written back)/written off	(0.08)	1.43
	- Provision for obsolete and slow moving stores and spares (written back)	(1.15)	
	- Provision for obsolete and slow moving stores and spares	1.07	3.11
	- Liabilities/provisions no longer required, written back	(1.71)	-
	- Finance cost	0.11	-
	- Interest income on term deposits with banks	(21.89)	(16.33)
	- Dividend income from mutual fund investments	(65.75)	(26.43)
	- Share of profit of associates	(71.89)	(62.53)
	Operating profit before working capital changes	1,125.48	970.44
	Changes in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	- Non current financial assets- Loans	(0.60)	(1.73)
	- Other non-current assets	(22.44)	0.14
	- Inventories	0.50	4.06
	- Trade receivables	(24.66)	48.32
	- Other current assets	4.34	4.68
	- Current financials assets	(5.08)	(0.58)
	- Other current financial assets	(2.49)	(1.25)
	Adjustments for increase/ (decrease) in operating liabilities:		
	- Other non-current liabilities	0.81	-
	- Trade payables	64.78	112.78
	- Other current financial liabilities	67.61	68.11
	- Employee benefit obligations	(7.54)	5.02
	- Other current liabilities	8.87	5.07
	Cash generated from operations	1,209.58	1,215.06
	Net income-tax paid (net of refund)	(330.25)	(268.72)
	Net cash flow from operating activities (A)	**879.33**	**946.34**
B.	**Cash flow from investing activities:**		
	- Payment for purchase of property, plant and equipment including capital advances and payable towards property plant and equipment	(469.88)	(271.41)
	- Proceeds from sale of property, plant and equipment	0.04	0.54
	- (Investment) in bank deposits with maturity more than three months	(579.76)	(907.49)
	- Maturity in bank deposits with maturity more than three months	712.25	425.00
	- Movement in restricted bank balance	(3.82)	(0.04)
	- Investment in mutual funds	(6,304.12)	(4,814.20)
	- Proceeds from sale of mutual funds	5,832.42	4,396.33
	- Income received on term deposits with banks	20.64	11.58
	- Income received from mutual fund investments	65.75	26.43
	- Dividend received	9.49	19.30
	Net cash flow used in investing activities (B)	**(716.99)**	**(1,113.96)**

Consolidated cash flow statement for the year ended 31 March 2018 (contd..)

(₹ in Crores)

		Year ended 31 March 2018	Year ended 31 March 2017
C.	**Cash flow from financing activities:**		
	- Dividend and dividend distribution tax paid	(84.23)	(160.08)
	Net cash flow used in financing activities (C)	**(84.23)**	**(160.08)**
D.	Net increase/(decrease) in cash and cash equivalents (A+B+C)	78.11	(327.70)
E.	Cash and cash equivalents as at the beginning of the year	125.57	453.27
F.	**Cash and cash equivalents as at the end of the year**	**203.68**	**125.57**
G.	**Cash and cash equivalents at the end of the period (refer note 13)**		
	i. Balances with banks in current accounts	29.07	22.07
	ii. Cash on hand	5.01	4.86
	iii. Balances with banks in fixed deposits with maturity of less than three months	169.60	98.64
		203.68	**125.57**

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

See accompanying notes forming part of the consolidated financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

1 Company overview

Indraprastha Gas Limited (the 'Company') is a company limited by shares domiciled in India and was incorporated on 23 December 1998 under the Companies Act, 1956. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office is located at IGL Bhawan, Plot No.4, Community Centre, Sector 9, R.K. Puram, New Delhi -110022.

IGL is in the business of City Gas Distribution presently operating in Delhi including adjoining areas of Noida, Greater Noida, Ghaziadbad, Gurugram and Rewari.

The Company has two associates namely Central UP Gas Limited and Maharashtra Natural Gas Limited which are engaged in the business similar to that of the Company.

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

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

2.1 Standards issued but not yet effective

On 28 March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers' and Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates'. The effective date for adoption is financials periods beginning on or after 01 April 2018.

2.1.1 Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establish the principles whereby an entity shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity shall be required to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The standard permits two possible methods of transition:

(a) Retrospective approach- The standard shall be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

(b) Retrospective with cumulative effect of initial application of the standard recognised at the date of initial application (Cumulative catch-up transition method)

The Company is examining the methods of transition to be adopted. The effect on adoption of Ind AS 115 is expected to be insignificant.

2.1.2 Appendix B, Foreign currency transactions and advance consideration to Ind AS 21:

Appendix B to Ind AS 21 clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will be effective on financials periods beginning on or after 01 April 2018. The effect of this amendment is expected to be insignificant.

3 Significant accounting policies and other explanatory information

3.1 Statement of compliance with Indian Accounting Standards (Ind AS)

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

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

The consolidated financial statements of Indraprastha Gas Limited as at and for the year ended 31 March 2018 were approved and authorised for issue by the Board of Directors on 23 May 2018 (refer note 51).

3.2 Overall considerations

The consolidated financial statements have been prepared on going concern basis using the significant accounting policies and measurement bases summarised below:

These accounting policies have been used throughout all periods presented in the consolidated financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

3.3 Basis of consolidation

The Company consolidates the standalone financial statements of the Company along its associates as mentioned below:

a) Central UP Gas Limited

b) Maharashtra Natural Gas Limited

3.4 Investment in associates

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 3.20 below.

3.5 Historical cost convention

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

3.6 Revenue recognition

(i) Sales of natural gas

Revenue on sale of natural gas is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risks and rewards of ownership have been transferred to the buyer. Revenue includes excise duty but excludes central sales tax and value added tax. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from extra pipeline cost is being charged from the customers. However, ownership & risk remains with the Company and since the cost of the extra pipeline has been capitalized and depreciated over a period of useful life of pipeline, as a result, amount charged from customers has also been deferred over the useful life of pipeline on the basis of matching principle.

(ii) Interest and dividends

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

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3.7 Inventories

(i) Inventory of natural gas

Inventory of natural gas in pipelines and cascades is valued at the lower of cost computed on First in First out (FIFO) basis and net realisable value. The cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

(ii) Inventory of stores and spares

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

3.8 Foreign currency transactions and translations

i. Initial recognition

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

ii. Measurement at the balance sheet date

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

iii. Treatment of exchange difference

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

3.9 Leases

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

Company as the lessor

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

Company as the lessee

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

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

3.10 Employee benefits

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

Defined contribution plans

The Company's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on

the amount of contribution required to be made and when services are rendered by the employees. The Company has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined benefit plans

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

Short-term employee benefits

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

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are allowed to carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.11 Taxes on income

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

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

3.12 Operating cycle

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

3.13 Operating expenses

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

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3.14 (a) Property, plant and equipment

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

ii. Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.

iii. Gas distribution systems are commissioned when ready for commencement of supply of gas to consumers. In the case of commissioned assets where final payment to the contractors is pending, capitalisation is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.

iv. The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognised in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognised.

v. Stores & Spares which meet the definition of property,plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalised as property,plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognised the new part with its own estimated useful life and it is depreciated accordingly. Likewise, when a major overhauling/ repair is performed, its cost is recognised in the carrying amount of respective assets if the recognition criteria are satisfied and depreciated over remaining useful life of asset or over the period of next overhauling due whichever is earlier. All other repair and maintenance costs are recognised in the statement of profit and loss as and when incurred.

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

(b) Intangible assets

Intangible assets comprise computer software/ license.

(c) Capital work-in-progress

Expenditure incurred during the period of construction, including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress includes capital inventory.

3.15 Depreciation and amortisation

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

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

Cost associated with lease hold land is depreciated over the period of lease.

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

Intangible assets	
- Computer software and licenses	5 years

3.16 Cash and cash equivalents

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

3.17 Cash flow statement

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

3.18 Earnings per share

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

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

3.19 Equity, reserves and dividend payment

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

3.20 Impairment of Property, plant and equipment, intangible assets and investments in associates

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

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to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

3.21 Provisions and contingencies

A provision is recognised in the consolidated financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 49.

3.23 Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

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

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

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

3.24 Financial instruments

I. Financial assets

a. Initial recognition and measurement

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

b. Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is

achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.

c. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 45 details how the Company determines whether there has been a significant increase in credit risk.

d. Derecognition of financial assets

A financial asset is derecognised when:

- The Company has transferred the right to receive cash flows from the financial assets or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

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

II. Financial liabilities

A. Initial recognition and subsequent measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realization on future date.

IV. Offsetting of financial instruments

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

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3.25 Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

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

(i) Estimation of defined benefit obligation

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

(ii) Estimation of current tax and deferred tax

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

(iii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property, plant and equipment.

(iv) Impairment of trade receivables

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

(v) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 44).

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4 Property, plant and equipment, capital work-in-progress and other intangible assets **(₹ in Crores)**

Particulars	Property, plant and equipment							Total	Intangible	Capital work-in-progress
	Freehold land	Land on perpetual lease	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Data processing equipment		Computer software/ license	
Balance as at 1 April 2016	19.92	16.98	306.72	1,762.13	11.04	7.45	5.53	**2,129.77**	17.65	266.92
Additions	-	-	41.55	217.11	2.19	0.20	1.98	**263.03**	2.78	343.53
Disposal/transfer of assets	-	-	0.09	12.05	0.14	-	1.33	**13.61**	-	258.66
Balance as at 31 March 2017	**19.92**	**16.98**	**348.18**	**1,967.19**	**13.09**	**7.65**	**6.18**	**2,379.19**	**20.43**	**351.79**
Additions	1.18	-	59.47	427.92	3.27	0.17	6.26	**498.27**	7.55	492.89
Disposal/transfer of assets	-	-	10.04	5.06	0.77	0.09	0.90	**16.86**	-	458.66
Balance as at 31 March 2018	**21.10**	**16.98**	**397.61**	**2,390.05**	**15.59**	**7.73**	**11.54**	**2,860.60**	**27.98**	**386.02**
Accumulated depreciation and amortisation										
Balance as at 1 April 2016	-	-	15.09	107.82	1.67	0.51	1.27	**126.36**	1.87	-
Depreciation and amortisation charge for the year	-	-	16.40	141.75	1.71	1.03	1.59	**162.48**	4.59	
Disposal/transfer of assets	-	-	0.04	11.48	0.09	-	1.22	**12.83**	-	-
Balance as at 31 March 2017	**-**	**-**	**31.45**	**238.09**	**3.29**	**1.54**	**1.64**	**276.01**	**6.46**	**-**
Depreciation and amortisation charge for the year		-	18.16	152.92	1.64	1.02	2.51	**176.25**	5.04	
Disposal/transfer of assets			2.19	3.30	0.74	0.09	0.89	**7.21**	-	
Balance as at 31 March 2018	**-**	**-**	**47.42**	**387.71**	**4.19**	**2.47**	**3.26**	**445.05**	**11.50**	**-**
Net block as at 31 March 2017	**19.92**	**16.98**	**316.73**	**1,729.10**	**9.80**	**6.11**	**4.54**	**2,103.18**	**13.97**	**351.79**
Net block as at 31 March 2018	**21.10**	**16.98**	**350.19**	**2,002.34**	**11.40**	**5.26**	**8.28**	**2,415.55**	**16.48**	**386.02**

4.1 Gross block of leasehold land includes land amounting to ₹ 16.98 crores (previous year: ₹ 16.98 crores) obtained on lease from local authorities under licensing arrangement and pending execution of the related lease agreements.

4.2 Buildings include buildings which have been constructed on land acquired on lease from various Government Authorities. (refer note 36)

4.3 The expenditure incidental to setting up of project is included in capital work-in-progess (CWIP) which is apportioned to the property,plant and equipment on completion of project. The Company has capitalised salary, wages and bonus amounting to ₹ 6.28 crores (previous year ₹ 6.00 crores) to the cost of property, plant and equipment /capital work-in-progress.

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5 Non current financial assets- investments

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Investments in equity instruments (at cost)		
Trade (unquoted)		
Investments in associates:		
(a) Central UP Gas Limited (Incorporated in India, operating in cities of Kanpur and Bareily)		
Proportion of Company's ownership	50%	50%
30,000,000 (31 March 2017: 30,000,000) equity shares of ₹ 10 each fully paid up in Central UP Gas Limited purchased at ₹ 23 per share.	131.74	114.96
Incidental expenses amounting to ₹ 0.17 crores included in the cost of investment		
(b) Maharashtra Natural Gas Limited (Incorporated in India, operating in city of Pune and adjoining areas)		
Proportion of Company's ownership	50%	50%
50,000,000 (31 March 2017: 50,000,000) equity shares of ₹ 10 each fully paid up in Maharashtra Natural Gas Limited purchased at ₹ 38 per share.	294.69	251.10
	426.43	**366.06**
Aggregate amount of carrying value of unquoted investment	426.43	366.06

Note: Change in investment's carrying amount during the current year is due to adjustment of pre-acquisition dividend recevied from Central UP Gas Limited.

Summarised aggregated financial information of the Company's share in these associates:

5.1 Central UP Gas Limited (Incorporated in India)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Non Current assets	205.78	153.06
Current assets	103.50	101.50
Non Current liabilities	(14.78)	(12.59)
Current liabilites	(53.78)	(34.80)
Net assets	240.72	207.17
Proportion of the Company's ownership	50%	50%
Company's share of net assets	120.36	103.58
Add: Goodwill	11.38	11.38
Carrying amount of interest in associates	**131.74**	**114.96**

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5 Non current financial assets- investments (contd.)

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Revenue	268.79	240.61
Profit	46.10	48.49
Other comprehensive income	(0.27)	(0.12)
Total comprehensive income	45.83	48.37
Company's share of profit	23.05	24.25
Company's share of other comprehensive income	(0.14)	(0.06)
Company's share of total comprehensive income	**22.91**	**24.19**

5.2 Maharashtra Natural Gas Limited (Incorporated in India)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Non Current assets	786.99	650.00
Current assets	108.18	99.92
Non Current liabilities	(246.47)	(283.03)
Current liabilites	(229.31)	(134.68)
Net assets	419.39	332.21
Proportion of the Company's ownership	50%	50%
Company's share of net assets	209.70	166.11
Add: Goodwill	81.32	81.32
Add: Impact of change in accounting policy	1.82	1.82
Add: Preacqusition dividend	1.52	1.52
Add: Corporate dividend tax on preacquisition dividend	0.33	0.33
Carrying amount of interest in associates	**294.69**	**251.10**

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Revenue	660.64	535.83
Profit	97.69	76.56
Other comprehensive income	0.07	(0.28)
Total comprehensive income	97.76	76.28
Company's share of profit	48.84	38.28
Company's share of other comprehensive income	0.04	(0.14)
Company's share of total comprehensive income	**48.88**	**38.14**

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6 Loans

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(Unsecured and considered good)		
Security deposits	8.37	7.77
	8.37	**7.77**

7 Other financial assets

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Balance with banks in fixed deposits (under lien against bank guarantee)	0.30	0.30
	0.30	**0.30**

8 Income-tax assets (net)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Advance tax (net of provisions)	11.04	1.82
Income-tax demand paid under protest	3.99	-
	15.03	**1.82**

9 Other non-current assets

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Capital advances	7.98	2.79
Prepaid expenses	20.53	11.25
Others	17.19	4.03
	45.70	**18.07**

10 Inventories

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Natural gas	3.14	2.74
Stores and spares	52.90	53.80
Less: Provision for obsolete and slow moving stores and spares	(3.67)	(4.82)
	49.23	48.98
	52.37	**51.72**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

11 Current financial assets - investments

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Investment in mutual funds (unquoted)	889.57	417.87
	889.57	**417.87**
Aggregate amount of carrying value of unquoted investment	**889.57**	417.87

11.1 Details of units and values

(₹ in Crores)

Particulars		As at 31 March 2018	As at 31 March 2017
(a)	528,406.20 units (31 March 2017: 252,818.872) in Axis Liquid Fund	101.85	25.30
(b)	3,395,611.639 units (31 March 2017: Nil) in Aditya Birla Sun Life Cash Plus	94.84	-
(c)	Nil units (31 March 2017: 249,979.634) in BNP Paribas Overnight Fund	-	25.02
(d)	Nil units (31 March 2017: 249,845.097) in BOI Axa Liquid Fund	-	25.05
(e)	1,366,252.326 units (31 March 2017: 2,495,636.44) in DHFL Pramerica Instacashplus Fund	30.85	25.03
(f)	Nil units (31 March 2017: 25,044,657.7176) in DHFL Premerica Ultra Short Term	-	25.09
(g)	Nil units (31 March 2017: 26,298,863.362) in Franklin India Ultrashort Bond Fund	-	26.47
(h)	Nil units (31 March 2017: 9,544,323.499) in HSBC Cash Fund	-	9.55
(i)	4,173,998.828 units (31 March 2017: 1,897,890.244) in ICICI Prudential Money Market Fund	100.37	19.01
(j)	Nil units (31 March 2017: 2,50,074.521) in IDFC Cash Fund	-	25.05
(k)	Nil units (31 March 2017: 2,53,286.673) in India Bulls Liquid Fund	-	25.36
(l)	Nil units (31 March 2017: 24,018,714.701) in JM High Liquidity Fund	-	25.05
(m)	386,970.268 units (31 March 2017: 161,981.921) in L & T Liquid Fund	92.21	16.41
(n)	Nil units (31 March 2017: 180,494.622) in LIC MF Liquid Fund	-	19.81
(o)	Nil units (31 March 2017: 253,331.017) in Mahindra Liquid Fund	-	25.34
(p)	366,246.783 units (31 March 2017: Nil) in Reliance Liquid Fund	102.82	-
(q)	Nil units (31 March 2017: 149,548.628) in SBI Magnum Insta Cash	-	25.05
(r)	Nil units (31 March 2017: 24,797,037.101) in Sundaram Money Fund	-	25.05
(s)	545,159.307 units (31 March 2017: Nil) in IDBI Liquid Fund	101.43	-
(t)	Nil units (31 March 2017: 233,152.224) in UTI Floating Rate Fund	-	25.10
(u)	343,853.009 units (31 March 2017: Nil) in UTI Money Market	67.04	-
(v)	425,740.711 units (31 March 2017: Nil) in Invesco India Liquid Fund	101.84	-
(w)	69,907.135 units (31 March 2017: Nil) in DSP BlackRock Liquidity Fund	17.37	-
(x)	3,070,190.191 units (31 March 2017: Nil) in ICICI Prudential Liquid Fund	78.95	-
(y)	Nil units (31 March 2017: 249,078.437) in Baroda Treasury Advance Fund Plan B	-	25.13
	Total	**889.57**	**417.87**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

12 Trade receivables

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables	209.12	191.85
Receivables from related parties (refer note 41)	19.41	12.02
	228.53	203.87
Less: Allowance for expected credit losses	2.39	2.48
Total receivables	**226.14**	**201.39**

12.1 Break up of security details

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables		
i. Secured, considered good	79.51	70.37
ii. Unsecured, considered good	146.63	131.02
iii. Unsecured, considered doubtful	2.39	2.48
	228.53	203.87
Impairment allowances (allowances for expected credit losses)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	(2.39)	(2.48)
Total trade receivables	**226.14**	**201.39**

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

13 Cash and cash equivalents

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
i. Balances with banks in current accounts	29.07	22.07
ii. Cash on hand	5.01	4.86
iii. Balances with banks in fixed deposits with maturity of less than three months	169.60	98.64
	203.68	**125.57**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

14 Bank balances other than cash and cash equivalents **(₹ in Crores)**

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Balances with banks in fixed deposits with maturity of more than three months	350.00	482.49
(b) Earmarked balances with banks in current accounts-Unpaid dividends	0.56	0.53
(c) Earmarked balances with banks in current accounts- Escrow account	3.79	-
	354.35	**483.02**

15 Loans **(₹ in Crores)**

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits		
- Considered good	6.48	2.49
- Considered doubtful	3.00	4.50
Less: Provision for expected credit losses	(3.00)	(4.50)
	6.48	**2.49**

15.1 Security deposits shown as loans to related parties comprise of : **(₹ in Crores)**

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits with GAIL (India) Limited	0.10	0.51
(b) Security deposits with Bharat Petroleum Corporation Limited (same are considered good)	0.01	0.01
	0.11	0.52

16 Other current financial assets **(₹ in Crores)**

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Unbilled revenue	21.43	16.34
(b) Interest accrued on fixed deposits	6.34	5.09
	27.77	**21.43**

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17 Other current assets (₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) CENVAT recoverable	4.04	14.62
(b) Prepaid expenses	14.07	10.18
(c) Employee advances	0.28	0.44
(d) Advances to vendors	1.49	0.01
(e) Advances to others	1.50	0.96
(f) Others	0.85	0.36
	22.23	**26.57**

The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the financial statements.

18 Share capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	(₹ in crores)	Number of shares	(₹ in crores)
(a) Authorised Equity shares of ₹ 2 each (previous year ₹ 10 each)	**1,10,00,00,000**	**220.00**	**22,00,00,000**	**220.00**
(b) Issued, subscribed and fully paid up Equity shares of ₹ 2 each (previous year ₹10 each)	**70,00,00,800**	**140.00**	**14,00,00,160**	**140.00**

18.1 Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 2 each (previous year ₹10 each). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

18.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	(₹ in crores)	Number of shares	(₹ in crores)
Shares outstanding at the beginning/ end of the year	700,000,800*	140.00	14,00,00,160	140.00

*The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹ 10 into five equity shares having a face value of ₹ 2 each. Consequently, the total number of equity shares of the Company increased to 700,000,800 shares of ₹ 2 each (previous year 140,000,160 shares of ₹ 10 each).

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

18 Share capital (contd.)

18.3 Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares held	% holding	Number of shares held	% holding
(a) GAIL (India) Limited	15,75,00,000	22.50%	3,15,00,000	22.50%
(b) Bharat Petroleum Corporation Limited	15,75,00,400	22.50%	3,15,00,080	22.50%
(c) Life Insurance Corporation of India	3,68,65,462	5.27%	-	-

Note: Life Insurance Corporation of India held less than 5% of the Company's shares as at 31 March 2017.

18.4 The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet.

18.5 During the current year the Company paid dividend of ₹ 5.00 per equity share for financial year 2016-17 amounting to ₹ 70 crores (excluding dividend distribution tax of ₹ 14.25 crores) [in financial year 2016-17 ₹ 6.00 per equity share for financial year 2015-16 amounting to ₹ 84 crores (excluding dividend distribution tax of ₹ 17.10 crores) and interim dividend of ₹ 3.50 per equity share for financial year 2016-17 amounting to ₹ 49 crores (excluding dividend distribution tax of ₹ 9.98 crores)].

19 Other equity

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) General reserve:		
Balance as at the beginning/ end of the year	303.50	303.50
(b) Retained earnings		
Opening balance	2,568.19	2,126.92
Profit for the year	721.72	606.34
Dividends distributed to equity shareholders (refer note no: 18.5 above)	(70.00)	(133.00)
Dividend distribution tax on dividend paid on equity share capital (refer note 18.5 above)	(14.25)	(27.08)
Corporate dividend tax of associates	(1.93)	(3.93)
	3,203.73	2,569.25
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(0.28)	(1.06)
Closing balance	**3,203.45**	**2,568.19**
	3,506.95	**2,871.69**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

20 Non-current employee benefit obligations

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefit obligations (refer note 40)	12.83	20.34
	12.83	**20.34**

21 Deferred tax liabilities (net)

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Deferred tax liability on:		
Difference between book balance and tax balance of property, plant and equipment	234.03	203.31
Undistributed profit of associates	34.26	21.76
Others	-	0.53
	268.29	225.60
(b) Deferred tax assets on:		
Provision for employee benefit obligations	4.89	7.75
Provision for obsolete and slow moving stores and spares	1.95	2.06
Provision for expected credit loss on trade receivables and security deposits	1.88	2.41
Others	-	11.00
Total	8.72	23.22
	259.57	**202.38**

21.1 Movements in deferred tax liabilities and deferred tax assets

(₹ in Crores)

Particulars	Property, plant and equipment	Gratuity and compensated absences	Other provisions
As at 31 March 2016	173.20	(5.23)	10.85
Charged/(credited) to the statement of profit or loss	30.11	(2.04)	(4.03)
(Credited) to other comprehensive income	-	(0.48)	-
As at 31 March 2017	203.31	(7.75)	6.82
Charged/(credited) to the statement of profit or loss	30.72	2.76	23.62
Charged/(credited) to other comprehensive income		0.09	
As at 31 March 2018	**234.03**	**(4.90)**	**30.44**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

22 Other non-current liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Others	0.81	-
	0.81	**-**

23 Current financial liabilities- Trade payables

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Total outstanding dues-other than acceptances		
(a) Trade payable *	261.65	173.24
(b) Trade payable to related parties (refer note 41)	76.93	100.76
	338.58	**274.00**

*includes amount due to micro enterprises and small enterprises (refer note 39)

24 Other current financial liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Security deposits from customers (refer note 37)	544.65	482.63
(b) Unclaimed dividends#	0.56	0.53
(c) Security deposits from vendors	5.17	2.55
(d) Employee benefits payable	23.13	20.16
(e) Payable towards property, plant and equipment *	224.19	143.13
	797.70	**649.00**

not due for deposit to the Investor Education and Protection fund.
*includes amount due to micro enterprises and small enterprises (refer note 39)

25 Current- Employee benefit obligations

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefit obligations (refer note 40)	0.91	0.66
	0.91	**0.66**

26 Other current liabilities

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Excess payments received from customers	20.36	15.19
(b) Statutory dues payable	13.55	10.98
(c) Advance received for shifting of pipeline	4.09	8.78
(d) Others	1.12	-
	39.12	**34.95**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

27 Revenue from operations

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Sale of natural gas (including excise duty)	5,052.53	4,205.43
(b) Other operating revenues	19.04	17.08
	5,071.57	**4,222.51**

28 Other income

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Interest income from banks	21.89	16.33
(b) Dividend income from :		
- Mutual fund investments	4.27	26.43
(c) Profit on sale of mutual funds	51.25	-
(d) Net gain arising on debt mutual funds designated as at fair value through profit or loss	10.22	-
(e) Liabilities/provisions no longer required, written back	1.71	-
(f) Other non operating income	3.30	3.16
	92.64	**45.92**

29 Cost of natural gas

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Natural gas	2,491.81	2,083.98
	2,491.81	**2,083.98**

30 (Increase) in stock of natural gas

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Closing stock of natural gas	3.14	2.74
(b) Opening stock of natural gas	2.74	2.48
	(0.40)	**(0.26)**

31 Employee benefits expense

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Salaries and wages	92.01	82.29
(b) Contribution to provident fund and other funds	3.35	3.00
(c) Staff welfare expenses	10.69	6.42
	106.05	**91.71**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

32 Finance cost

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Finance cost on defined benefit obligations	1.58	1.21
(b) Other finance costs	0.11	-
	1.69	**1.21**

33 Other expenses

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Operating expenses at CNG stations	160.56	107.55
(b) Facility charges	58.75	40.67
(c) Stores and spares consumed	20.93	25.73
(d) Power and fuel	173.69	149.09
(e) Rent	92.49	92.16
(f) Hire charges:		
- Vehicle	22.75	16.36
- Equipment	0.86	0.35
(g) Rates and taxes	1.82	1.75
(h) Repairs and maintenance:		
- Building	11.06	3.52
- Plant and equipment	192.27	144.22
(i) Security expenses	44.44	30.72
(j) Insurance	1.62	1.46
(k) Cash/cheque collection charges	6.87	5.59
(l) Legal and professional fees	13.22	9.87
(m) Auditor's remuneration (refer note 33.1)	0.48	0.57
(n) Travelling and conveyance	4.52	3.70
(o) Office maintenance	5.75	4.60
(p) Advertisement expenses	10.19	5.41
(q) Loss on fixed assets sold or discarded (net)	9.61	0.24
(r) Provision for expected credit loss/ bad debts written off	-	1.43
(s) Provision for obsolete and slow moving stores and spares	1.07	3.11
(t) Net loss on foreign currency transaction and translations	-	0.14
(u) Corporate social responsibility (CSR) activity expenses (refer note 38)	11.60	6.52
(v) Miscellaneous expenses	35.74	20.84
	880.29	**675.60**

33.1 Payment to the statutory auditors as:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Auditor	0.47	0.54
(b) For reimbursement of expenses	0.01	0.03
	0.48	**0.57**

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34 Contingent liabilities

(a) Demand raised by Excise authorities

The Company had received a show cause notice dated 5 June 2012 from the Directorate General of Central Excise Intelligence for not paying excise duty on the facility discount paid to Delhi Transport Corporation from December 2008 to August 2010 and raised a demand of ₹ 2.42 crores (previous year ₹ 2.42 crores) which the Company duly deposited and, however, filed an appeal on 20 August 2013 with the Commissioner of Central Excise. The demand was confirmed by the Commissioner of Excise in its order dated 30 September 2013 and a penalty of ₹ 2.42 crores (excluding interest) was imposed on the Company. The Company filed an appeal on 10 January 2014 against the demand including penalty with Central Excise and Service Tax Appellate Tribunal and the stay has been granted by the tribunal against the demand. The case is remanded back to the assessing authority by Central Excise and Service Tax Appellate Tribunal to submit additional documents along with other evidence.

(b) Demand raised by income-tax authorities

In respect of assessment year 2013-14 and 2014-15, the assessing officer had disallowed additional depreciation claimed by the Company on additions of assets pertaining to the CNG business. The department has raised a demand of ₹ 2.51 crores and ₹ 2.01 crores for the assessment year 2013-14 and 2014-15 respectively including interest. Out of the said demand, ₹ 4.01 crores has been adjusted against the refund for the assessment year 2014-15 and demand order for the balance amount of ₹ 0.51 crores has been issued by the Department for assessment year 2013-14. The Company had filed an appeal with Commissioner of Income-tax (Appeals) which was ruled in favour of the revenue. The Company has further challenged the Order of Commissioner of Income tax (Appeals) in Income-Tax Appellate Tribunal. The Company has also deposited ₹ 0.20 crores during the year against the demand of ₹ 0.51 crores for the assessment year 2013-14 . In respect of assessment year 2011-12, 2012-13 and 2015-16, the assessing officer had disallowed additional depreciation claimed by the Company on additions of assets pertaining to the CNG business. The department has raised a demand of ₹ 8.23 crores, ₹ 10.68 crores and ₹ 1.09 crores for the assessment year 2011-12, 2012-13 and 2015-16 respectively. Out of the said demand, ₹ 1.65 crores and ₹ 2.14 crores has been deposited for the assessment year 2011-12 and 2012-13 respectively and ₹ 1.09 crores has been adjusted against the refund of assessment year 2015-16. The Company has filed appeals with Commissioner of Income Tax (Appeals) against the decision of the Income-tax department. The Company is of the view that such disallowance is not tenable and accordingly no provision has been made for the said demands.

(c) Bank guarantees

The Company's total liability towards un-expired bank guarantees is ₹ 0.25 crores (Previous year ₹ 0.25 crores).

(d) Demand raised by Delhi Development Authority (DDA)

Delhi Development Authority (DDA) has raised a total demand of ₹ 155.64 crores during 2013-14 on account of increase in license fees in respect of sites taken by the Company on lease from DDA for setting up compressed natural gas (CNG) stations in Delhi. The increase in license fees was related to the period 1 April 2007 to 31 March 2014. The Company has filed a writ petition on 11 October 2013 before the Hon'ble Delhi High Court against the demand raised by DDA as the revised license fees has been increased manifold and made applicable retrospectively from financial year 2007-08. Further, DDA vide communication dated 29 August 2016

has revised the total demand to ₹ 330.73 crores for the period upto 31 March 2016. The same was also reported in the previous year as a contingent liability.

The matter is pending in the Hon'ble High Court of Delhi and the Company is of the view that such demand is not tenable and accordingly no provision has been made for this aforementioned demand raised by DDA in the books of accounts.

(e) Apart from those disclosed above, the Company has certain ongoing litigations involving customers, vendors and employees. Based on legal advice of in house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

(f) The Company's share in contingent liabilities of its associate, Central UP Gas Limited is ₹16.35 crores (previous year ₹ 13.39 crores).

The Company's share in contingent liabilities of its associate, Maharashtra Natural Gas Limited is ₹9.91 crores (previous year ₹ 25.17 crores)

35 Bank guarantees

(i) During the year, the Company has been granted authorization for laying, building, operating and expanding City Gas Distribution (CGD) network in the geographical area of Karnal (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has submitted a performance bank guarantee of ₹ 1,236.00 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years. Also during the previous year, the Company has been granted authorization for laying, building, operating and expanding CGD network in the geographical area of Rewari (Haryana) under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008. The Company has submitted a performance bank guarantee of ₹ 1,052.36 crores to Petroleum and Natural Gas Regulatory Board to cover the construction obligation for creation of infrastructure in the first 5 years.

(ii) The Company's commitment towards unexpired bank guarantees other than above mentioned in point (i) is ₹ 368.41 crores (previous year ₹310.91 crores) given in the ordinary course of business.

36 The Company has installed various CNG Stations on land leased from various government authorities for periods ranging from one to five years. However, assets constructed/installed on such land are depreciated generally at the rates specified in Schedule II to the Companies Act, 2013, as the management does not foresee non-renewal of the above lease arrangements by the authorities. The net block of such assets amounts to ₹ 267.60 crores (previous year ₹ 241.45 crores).

37 Security deposits from customers of natural gas, refundable on termination/alteration of the gas sales agreements, are considered as current liabilities as every customer has a right to request for termination of supply and the Company does not have a contractual right to delay payment for more than 12 months.

38 As per Section 135 of the Companies Act, 2013, a company, meeting the eligibility criteria, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Company's CSR programs/ projects focuses on sectors and issues as mentioned in Schedule VII read with Section 135 of Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

a) Gross amount required to be spent by the Company during the year is ₹ 14.30 crores (previous year ₹ 12.17 crores)

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b) Amount spent during the year on CSR

(₹ in Crores)

S. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above:	11.60	-	11.60
	Empowerment of women and girl child	1.63	-	1.63
	Eradication of poverty	0.15	-	0.15
	Promotion of healthcare and sanitation	4.21	-	4.21
	Promotion of education	4.61	-	4.61
	Others	1.00	-	1.00

39 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount due to Micro, Small and Medium Enterprises	126.15	28.16
-Interest due on above	0.11	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.11	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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40 Employee benefits:

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the amount recognized in the balance sheet for the respective plans.

(₹ in Crores)

Particulars	Gratuity benefits	
	Year ended 31 March 2018	Year ended 31 March 2017
Change in present value of the benefit obligations are as follows:		
Present value of obligations at the beginning of the year	8.89	6.19
Current service cost	1.00	0.92
Interest cost	0.67	0.49
Actuarial (gain)/loss on obligation	0.27	1.34
Benefits paid	(0.12)	(0.05)
Past service cost including curtailment gains/losses	0.18	-
Present value of obligation at the year end	**10.89**	**8.89**
Current portion of obligation as at the end of the year	0.37	0.20
Non-current portion of obligation as at the end of the year	10.52	8.69
	10.89	8.89
Change in plan assets		
Fair value of plan asset at the beginning of the year	-	-
Employer contribution	8.79	-
Mortality Charges	-	-
Fair value of plan asset at the end of the year*	**8.79**	**-**

*The fund is managed by Life Insurance Corporation of India and category-wise composition of plan assets is not available with the Company.

Expenses recognised in the statement of profit and loss:		
Current service cost	1.00	0.92
Past service cost including curtailment gains/losses	0.18	-
Interest cost in benefit obligation	0.67	0.49
Total expense recognised in statement of profit and loss	**1.85**	**1.41**
Expense recognised in other comprehensive income		
Actuarial (gain)/loss recognised during the year	0.27	1.34
Breakup of actuarial (gain)/loss on defined benefit obligation:		
Actuarial (gain)/loss on arising from change in financial assumption	0.38	1.47
Actuarial (gain)/loss on arising from experience adjustment	(0.11)	(0.13)
Total actuarial (gain)/loss	**0.27**	**1.34**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

40 Employee benefits (contd.)

Actuarial assumptions used

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Discount rate	7.80%	7.54%
Expected salary escalation rate	6.50%	6.50%

Notes:

1. The discount rate is based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liability.

2. The estimates for future salary increase rate takes account of inflation, seniority, promotion, business plan, human resource policy and other relevant factors on long term basis.

Demographic assumptions used

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Mortality table	IALM(2006-08)	IALM(2006-08)
Retirement age	60 Years	60 Years
Withdrawal rates		
Upto 30 Years	3	3
From 31 to 44 Years	2	2
Above 44 Years	1	1

(₹ in Crores)

Experience adjustment:

	2018	2017	2016	2015	2014
Present value of defined benefit obligation	10.89	8.89	6.19	4.66	3.31
Experience (loss)/ gain on liability	(0.11)	(0.13)	0.96	0.02	(0.45)

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2018.

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

40 Employee benefits (contd.)

(₹ in Crores)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate				
(Decrease)/ increase in the defined benefit liability	(1.37)	1.51	(0.62)	0.68
Salary growth rate				
(Decrease)/ increase in the defined benefit liability	1.52	(1.39)	0.69	(0.63)

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analysis are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

During the current year, the Company has established a trust with Life Insurance Corporation of India to fund obligation with respect to its gratuity plan. The Company's liability on account of gratuity is ascertained by actuarial valuer.

Defined contribution plan

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 3.35 crores for provident fund contributions (previous year ₹ 3.00 crores) in the statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

41 Related party disclosures:

List of related parties:

(a) Entities having significant influence over the Company (promoter venturers)

i. GAIL (India) Limited

ii. Bharat Petroleum Corporation Limited

(b) Entities over which the Company exercises significant influence

i. Central UP Gas Limited

ii. Maharashtra Natural Gas Limited

(c) Entities controlled by a major shareholder

I. GAIL Gas Limited (controlled by GAIL (India) Limited)

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

41 Related party disclosures (contd.):

(d) Entities which are joint ventures of GAIL (India) Limited

i. Petronet LNG Limited
ii Green Gas Limited

(e) Key managerial personnel (KMPs):

i.	Mr. Narendra Kumar	Managing Director (till 31 May 2016)
ii.	Mr. E.S. Ranganathan	Managing Director (with effect from 1 June 2016)
iii.	Mr. V. Nagarajan	Director Commercial

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
GAIL (India) Limited		
Transactions during the year:		
Purchase of natural gas (including VAT)	2,126.65	1,852.67
Transportation charges	23.37	16.48
Sale of natural gas	2.81	2.31
Salaries, allowances and other related payments	1.42	1.00
Rent	0.05	1.46
Reimbursement of expenses	0.01	0.04
Road restoration charges	0.15	0.36
Bonus (profit sharing)	0.15	0.15
Other expenses	0.01	0.03
Advance paid for hooking up of shippers facilities	16.93	4.03
Purchase of property, plant and equipment	1.94	-
Sale of property, plant and equipment	0.35	-
Reimbursement of advertisement expenses paid by IGL	1.29	-
Security deposit refund received	0.41	-
Standby letter of credit/ bank guarantee issued/renewed	254.26	219.06
Dividend paid	15.75	29.93
Balance outstanding as at the year end:		
Trade payables	39.34	82.79
Trade receivables	1.75	-
Security deposit paid	0.10	0.51
Bank guarantee outstanding at the year end	254.26	219.06
Advance paid for hooking up of shippers facilities	16.93	4.03

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

41 Related party disclosures (contd.):

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Bharat Petroleum Corporation Limited		
Transactions during the year:		
Sale of CNG (gross)	322.56	248.45
Salaries, allowances and other related payments	0.69	0.52
Reimbursement of electricity expenses	13.37	10.95
Facility charges	14.13	7.51
Purchases of natural gas	237.85	182.79
Purchases of lubricants	0.34	0.09
Purchase of petrol/diesel	0.11	-
Security deposit paid	0.01	-
Bonus (profit sharing)	0.15	0.15
Road restoration charges	0.01	-
Other expenses	-	0.04
Earnest Money Deposit received	0.04	-
Standby letter of credit/ bank guarantee issued/renewed	30.73	19.73
Dividend paid	15.75	29.93
Balance outstanding as at the year end:		
Trade payables	31.97	12.01
Trade receivables	15.07	12.02
Security deposit paid	0.01	0.01
Earnest Money Deposit received	0.04	-
Bank guarantee outstanding at the year end	30.73	19.73
Central UP Gas Limited		
Transactions during the year:		
Sitting fees received	0.05	0.04
Reimbursement of advertisement expenses paid by IGL	0.65	-
Balance outstanding as at the year end:		
Trade receivable	0.65	-
Maharashtra Natural Gas Limited		
Transactions during the year:		
Sitting fees received	0.03	0.01
GAIL Gas Limited		
Transactions during the year:		
Purchase of natural gas	132.89	95.24
Reimbursement of advertisement expenses paid by IGL	1.29	-
Standby letter of credit/ bank guarantee issued/renewed	8.46	11.96

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

41 Related party disclosures (contd.):

Transactions / balances outstanding with related parties in the ordinary course of business:

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Balance outstanding as at the year end:		
Trade payables	5.62	5.96
Trade receivable	1.29	-
Bank guarantee outstanding at the year end	8.46	8.46
Petronet LNG Limited		
Transactions during the year:		
Purchase of natural gas	0.75	-
Standby letter of credit/ bank guarantee issued/renewed	0.75	-
Balance outstanding as at the year end:		
Trade receivable	-	-
Green Gas Limited		
Transactions during the year:		
Reimbursement of advertisement expenses paid by IGL	0.65	-
Balance outstanding as at the year end:		
Trade receivable	0.65	-
Key managerial personnel: Direct reimbursements#		
Transactions during the year:		
Mr. Narendra Kumar	-	0.003
Mr. E.S. Ranganathan	0.014	0.008
Mr. V. Nagarajan	0.055	0.076

Direct reimbursements made as per terms of employment/entitlements

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

42 Income-tax expense

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(a) Income-tax expense		
Current tax		
Current tax on profits for the year	316.94	273.54
Total current tax expense	316.94	273.54
Deferred tax		
Decrease/(Increase) in deferred tax assets	14.59	(14.03)
Increase in deferred tax liabilities	42.69	38.07
Total deferred tax expense	57.28	24.04
Income tax expense reported in the statement of profit or loss	**374.22**	**297.58**
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on remeasurements of defined benefit plans	(0.09)	(0.48)
Tax expense	**374.13**	**297.10**

(₹ in Crores)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income-tax expense	1,024.05	841.39
Tax at the Indian tax rate of 34.608% (2016-2017 – 34.608%)	354.40	291.18
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non deductible expenses	4.30	2.34
Effect of disallowances	1.32	2.76
Income exempt from tax	(1.48)	(9.15)
Share in profit of associates not taxable	12.50	7.96
Others	3.09	2.01
Income-tax expense	**374.13**	**297.10**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

43 Financial instruments by category

(₹ in Crores)

Particulars	As at 31 March 2018		As at 31 March 2017	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Non current financial assets				
Loans		8.37		7.77
Balance with banks in fixed deposits (under lien against bank guarantee)		0.30		0.30
Current financial assets				
Investments	889.57		417.87	
Trade receivable		226.14		201.39
Cash and cash equivalents		203.68		125.57
Bank balances other than cash and cash equivalents		354.35		483.02
Unbilled revenue		21.43		16.34
Interest accrued on fixed deposits		6.34		5.09
Security deposits with related parties and others		6.48		2.49
Total financial assets	**889.57**	**827.09**	**417.87**	**841.97**
Current financial liabilities				
Trade payables		338.58		274.00
Security deposits from customers		544.65		482.63
Unclaimed dividends		0.56		0.53
Employee benefits payable		23.13		20.16
Payable towards property, plant and equipment		224.19		143.13
Security deposits from vendors		5.17		2.55
Total financial liabilities	**-**	**1,136.28**	**-**	**923.00**

Note :

Investments in associates as at the close of the year ended 31 March 2018 and 31 March 2017 are carried at cost, per the exemption availed by the Company. Hence the same has not been considered in the above table.

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

44 Financial instruments measured at fair value

The following tables present financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

There are no financial liabilities measured at fair value as at 31 March 2018 and 31 March 2017.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as on 31 March 2017 and 31 March 2018 as follows:

(₹ in Crores)

	Level 1	Level 2	Level 3	Total
As at 31 March 2017				
Investment in mutual funds	417.87	-	-	417.87
Total	**417.87**	**-**	**-**	**417.87**
As at 31 March 2018				
Investment in mutual funds	889.57	-	-	889.57
Total	**889.57**	**-**	**-**	**889.57**

The investments in mutual funds have been fair valued per net asset value (NAV) as at reporting date.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Security deposits received have not been fair valued as the same are repayable on demand, so there is no fixed term available for the purpose of discounting. Further, security deposits given have not been fair valued as the impact of the fair valuation is not material.

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

45 Financial risk management

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

(i) Foreign currency risk

The Company is exposed to foreign exchange risk mainly through its purchases of capital items from overseas suppliers in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies to manage its risks.

The Company's foreign currency exposure on accounts payable that have not been hedged by a derivative instrument or otherwise are given below:

Currency	As at 31 March 2018		As at 31 March 2017	
	FC	(₹ in crores)	FC	(₹ in crores)
USD	4,86,212	3.16	1,97,313	1.28
EURO	90,221	0.73	18,547	0.13
		3.89		**1.41**

Foreign currency sensitivity

There shall be no material impact on profit before tax due to 1% increase/decrease in foreign exchange rates.

(ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date :

Financial assets for which loss allowance is measured using 12 months Expected Credit Losses **(₹ in Crores)**

Exposure to credit risk	As at 31 March 2018	As at 31 March 2017
Security deposits (non-current)	8.37	7.77
Balance with banks in fixed deposits (under lien against bank guarantee)	0.30	0.30
Cash and cash equivalents (except cash in hand)	198.67	120.71
Other bank balances	354.35	483.02
Unbilled revenue	21.43	16.34
Interest accrued on fixed deposits	6.34	5.09
Security deposits with related parties and others	6.48	2.49
	595.94	**635.72**
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses		
Trade receivables	228.53	203.87

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

45 Financial risk management (contd.)

An analysis of age of trade receivables at each statement of financial position date is summarized as follows:

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
upto 1 year	222.93	197.16
upto 2 years	1.73	3.02
upto 3 years	1.49	1.86
upto 4 years	1.19	0.88
upto 5 years	0.82	0.46
More than 5 years	0.37	0.49
	228.53	**203.87**

Expected credit loss

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
upto 1 Year	0%	0%
upto 2 Year	3%	6%
upto 3 Year	8%	13%
upto 4 Year	23%	35%
upto 5 Year	50%	76%
More than 5 Year	100%	100%

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks. Further, security deposits paid includes payment made to government agencies which are considered to low credit risk

(iii) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each statement of financial position date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. As at each statement of financial position date, the Company's liabilities having contractual maturities (including interest payments where applicable) are summarized as follows:

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

45 Financial risk management (contd.)

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

As at 31 March 2018 **(₹ in Crores)**

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	338.58	-	**338.58**
Security deposits from customers	544.65	-	**544.65**
Unclaimed dividends	0.56	-	**0.56**
Security deposits from vendors	5.17	-	**5.17**
Employee benefits payable	23.13	-	**23.13**
Payable towards property, plant and equipment	224.19	-	**224.19**
	1,136.28	**-**	**1,136.28**

As at 31 March 2017 **(₹ in Crores)**

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	274.00	-	**274.00**
Security deposits from customers	482.63	-	**482.63**
Unclaimed dividends	0.53	-	**0.53**
Security deposits from vendors	2.55	-	**2.55**
Employee benefits payable	20.16	-	**20.16**
Payable towards property, plant and equipment	143.13		**143.13**
	923.00	**-**	**923.00**

(iv) Price risk

The Company is not exposed to sensitivity to price risk in regards to its financial assets and liabilities.

(v) Interest risk

The Company's policy is to minimise interest rate cash flow risk exposures. The Company is exposed to the interest rate risk on fixed deposit and on the investment done by the Company in mutual funds. The exposure to the interest rate for the Company's mutual fund and fixed deposit is considered immaterial.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.50% (2016-17: +/-0.50%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

(₹ in Crores)

Particulars	Profit for the year		Equity	
	0.50%	**0.50%**	**0.50%**	**0.50%**
31 March 2018	**7.05**	**(7.05)**	**4.61**	**(4.61)**
31 March 2017	**5.00**	**(5.00)**	**3.27**	**(3.27)**

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

46 Capital management

The Company's capital management objectives are:

a) to ensure the Company's ability to continue as going concern; and

b) to provide an adequate return to stakeholders

For the purpose of Company's capital management, capital includes issued equity capital. The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, less cash and cash equivalents.

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings	-	-
Less: Cash and cash equivalents	(203.68)	(125.57)
Borrowings (net of cash and cash equivalents)	**-**	**-**
Capital employed	3,646.95	3,011.69
Total capital employed	**3,646.95**	**3,011.69**
Gearing ratio	0%	0%

47 Capital and other commitments

(a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is as under:

(₹ in Crores)

Particulars	As at 31 March 2018	As at 31 March 2017
Property, plant and equipment	366.21	277.03
	366.21	**277.03**

(b) Other commitments

The Company has entered into long-term agreements for purchase of natural gas upto maximum quantity of 0.58 million standard cubic meters (SCM)/ day till 2028 with different suppliers. These agreements have 'take or pay' clause which shall be applicable in case gas off take is less than the contractual quantity as defined in the agreement and the same can be adjusted against make up quantity to be taken in the subsequent years. As at the balance sheet date, the management does not foresee any liability on account of said obligation.

Consolidated Summary of Significant Accounting Policies and other Explanatory Information for the year ended 31 March 2018

48 Earnings per share

Particulars	Units	Year ended 31 March 2018	Year ended 31 March 2017
Net profit attributable to shareholders	₹ crores	721.72	606.34
Weighted average number of equity shares	No. in crores	70.00	70.00
Nominal value per share	₹	2.00	2.00
Basic earning per share of ₹ 2 each	₹	10.31	8.66

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

Note: The shareholders of the Company in their annual general meeting held on 28 September 2017 approved sub-division of each equity share having a face value of ₹ 10 into five equity shares having a face value of ₹ 2 each. The record date for the sub-division was 10 November 2017. Accordingly, each equity share having face value of ₹ 10 each was sub-divided into five equity shares of ₹ 2 each and per share information above have been restated to reflect the effect of this sub-division for the year ended 31 March 2017.

49 The Company is primarily engaged in the business of providing natural gas. Hence, as per the chief operating decision maker the sale of natural gas has been considered as a single operating segment per Ind AS 108 'Operating Segment' and accordingly disclosures have been limited to single operating segment.

50 During the previous year ended 31 March 2017, an amount of ₹ 31.51 crores was provided in the books of account towards estimated revision in trade margin and facility charges payable to Oil Marketing Companies (OMCs) for the sale of CNG from their respective outlets based on the ongoing negotiations with them in the previous year. During the current year, the rates for the aforementioned trade margin and facility charges have been finalised retrospectively and accordingly, an amount of ₹15.92 crores and ₹ 0.30 crores pertaining to previous years has been written back from the respective heads.

51 Post reporting date events

No adjusting or significant non-adjusting events have occurred between 31 March 2018 and the date of authorisation of the Company's consolidated financial statements. However, the Board of Directors have recommended a final dividend of 100% i.e. ₹ 2.00 (previous year ₹ 5.00) on equity shares of ₹ 2 (previous year ₹ 10) each for the year ended 31 March 2018, subject to approval of shareholders at the ensuing annual general meeting.

52 The consolidated financial statements for the year ended 31 March 2018 were approved by the Board of Directors on 23 May 2018.

See accompanying notes forming part of the consolidated financial statements (1- 52)

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Goel**
Partner

Place: New Delhi
Date: 23 May 2018

For and on behalf of the Board of Directors

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

Sd/-
V. Nagarajan
Director (Commercial)
(DIN 06971361)

Sd/-
Rajesh Agrawal
Chief Financial Officer

Sd/-
S.K. Jain
Company Secretary

Comments of the Comptroller and Auditor General of India Under Section 143(6) (b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated Financial Statements of Indraprastha Gas Limited for the year ended 31 March 2018.

The preparation of financial statements of Indraprastha Gas Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 23 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129(4) of the Act of the consolidated financial statements of Indraprastha Gas Lmited for the year ended 31 March 2018. We conducted supplementary audit of the financial statements of Indraprastha Gas Limited and Central UP Gas Limited (Associate) but did not conduct supplementary audit of the financial statements of Maharashtra Natural Gas Limited* (Associate) for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to the inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and behalf of the
Comptroller and Auditor General of India

Sd/-
(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place: New Delhi
Date: 30.07.2018

*Due to non-receipt of financial statements till 30 July 2018 being the date of certicification of Consolidated Financial Statement.

DISCLAIMER

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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