



GSPL INDIA GASNET LIMITED

6th ANNUAL REPORT 2016-17

Board of Directors

Dr. J N Singh, IAS	Chairman
Dr. T Natarajan, IAS	Director
Shri S K Sharma	Director w.e.f. 01-08-2017
Shri S K Jha	Director w.e.f. 17-04-2017
Shri I. S. Rao	Director
Shri H R Wate	Director
Shri Manish Seth	Director
Smt. Shobhana Desai	Director
Shri Chandrasekhar Mani	Independent Director
Dr. Bharatkumar Modi	Independent Director
Shri Ravindra Agrawal	Director & CEO

Statutory Auditors

M/s. Singhvi & Mehta
Chartered Accountants,
Ahmedabad

Registered Office

GSPL Bhavan,
Behind Udyog Bhavan,
Sector-11, Gandhinagar-382010
CIN: U40200GJ2011SGC067449
Website: gspcgroup.com/GIGL
Email: gigl@gspc.in

Corporate office

GSPL Bhavan
GIDC Electronic Estate, Near K7 circle
Sector - 26, Gandhinagar-382 028.

GSPL INDIA GASNET LIMITED

NOTICE

Notice is hereby given that the 6th Annual General Meeting of the members of **GSPL INDIA GASNET LIMITED** will be held on **Thursday 28th September, 2017 at 11:00 A.M.** at 2nd Floor, Board Room, GSPC Bhavan, Sector-11, Gandhinagar - 382010 to transact following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt Financial Statement of the Company for the Financial Year ended 31st March, 2017 along with the Reports of the Directors' and Auditors thereon and the comments of the Comptroller and Auditor General of India thereon.
- 2 To appoint a Director in place of Shri I S Rao (DIN: 02350683), who retires by rotation and being eligible offers himself for re-appointment.
- 3 To appoint a Director in place of Shri Ravindra Agrawal (DIN: 00157236), who retires by rotation and being eligible offers himself for re-appointment.
- 4 To fix remuneration of Statutory Auditors of the Company.

SPECIAL BUSINESS

- 5 **Appointment of Shri S K Jha (DIN: 07788527) as a Director of the Company.**

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

RESOLVED THAT Shri S K Jha (DIN: 07788527) who was appointed as an Additional Director by the Board of Directors of the Company with effect from 17th, April, 2017 and holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

- 6 **Appointment of Shri S K Sharma (DIN: 07611204) as a Director of the Company.**

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

RESOLVED THAT Shri S K Sharma (DIN: 07611204) who was appointed as an Additional Director by the Board of Directors of the Company with effect from 1st August, 2017 and holds office up to the date of this Annual General Meeting in terms of Section 161 of the

GSPL INDIA GASNET LIMITED

Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

For GSPL India Gasnet Limited



Nilesch Patel

Senior Manager (S&L)

Date: 1st September, 2017

Place: Gandhinagar

Registered Office:

GSPC Bhavan, Sector-11,

Gandhinagar-382010

Tel: 079-23268500

CIN: U40200GJ2011SGC067449 / Website: gspcgroup.com / GIGL / Email: gigl@gspc.in

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

AS PER THE PROVISIONS OF THE COMPANIES ACT 2013, A PERSON CAN ACT AS PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CPAITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

2. WHEREIN MEMBER (S) ARE BODY CORPORATE (VIZ COMPANIES ETC) AUTHORISATION IS TO BE DONE BY THE BOARD OF THAT BODY CORPORATE IN FAVOUR OF ANY PERSON AS PER THE PROVISIONS OF SECTION 113 OF THE COMPANIES ACT, 2013 WHO SHALL ACT AS THE REPRESENTATIVE OF THAT

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BODY CORPORATE AND SHALL HAVE SAME RIGHT AND POWERS ON BEHALF OF BODY CORPORATE AS IF IT WERE AN INDIVIDUAL. THE AUTHORISED REPRESENTATIVE SHALL SEND THE CERTIFIED TRUE COPY OF THE RESOLUTION AT THE REGISTERED OFFICE OF THE COMPANY TO REACH BEFORE THE DATE OF ANNUAL GENERAL MEETING.

3. The Explanatory Statement pursuant to Section 102 of Companies Act, 2013 in respect of special business is annexed hereto.
4. Route map of venue of Annual General Meeting is given below:

ROUTE MAP



GSPL INDIA GASNET LIMITED

Details of Directors seeking re-appointment:

Name of Director	Shri I S Rao	Shri Ravindra Agrawal
Age	57 Years	45 Years
Date of Appointment	13 th June, 2012	13 th October, 2011
Qualification & experience	Shri Indumukhi Srinivas Rao, is a Master of Science and holds qualifications of DMSM, DMS from Osmania University and Jamnalal Bajaj Institute of Management Studies, Mumbai University. He joined BPCL in 1982 as a Management Trainee. Presently working as Executive Director in Gas Division of BPCL, Sri I S Rao is responsible for overall gas business of BPCL, covering the gas marketing chain, including sourcing, securing/developing gas infrastructure, transmission capacity, city gas distribution networks, formation of JVCs, sales to customers, and other related activities. Prior to taking over as Executive Director (Gas), Shri I S Rao has worked in BPCL in various capacities in the Oil and Gas marketing. He was also on deputation to erstwhile Oil Coordination Committee (OCC) under Ministry of Petroleum and Natural Gas. He was also a member in various studies and industry committees in the oil and gas sector.	Shri Agrawal holds a degree in Electrical Engineering from Malviya National Institute of Technology (MNIT), Jaipur and has done Master of Business Administration (MBA) in Finance from Devi Ahilya University, Indore. Shri Ravindra Agrawal is Executive Director (Gas Business) of GSPC Group and is associated with the Group since 1999. Prior to joining GSPL, the natural gas transmission arm of GSPC Group, Shri Agrawal worked with Gujarat Gas Company Ltd. (GGCL) for a period of more than 3 years. Shri Agrawal has been associated with the natural gas industry for more than 20 years and has considerable experience in LNG sourcing, Natural gas marketing & transportation, Contract Management, gas pricing and transportation tariff models. Shri Agrawal has been instrumental in setting up gas trading business of the Company including sourcing of LNG from international markets, business development, risk management, marketing of natural gas at Pan-India level, and Management of JV companies involved in gas transmission and CGD projects. He supervises Regulatory Affairs and formulates commercial strategies for the Group's mid-stream and downstream gas business.
Directorship held in other Companies	1) GSPL India Transco Limited 2) Sabarmati Gas Limited 3) Maharashtra Natural Gas Limited 4) Central U.P Gas Limited 5) Goa Natural Gas Private Limited	1) Sabarmati Gas Limited 2) Gujarat State Energy Generation Limited 3) GSPC Pipavav Power Company Limited

GSPL INDIA GASNET LIMITED

Chairmanship/ Membership of Committees in other Companies	Chairman of CSR Committee: • Maharashtra Natural Gas Limited Chairman of Nomination & Remuneration Committee: • Maharashtra Natural Gas Limited • Sabarmati Gas Limited Member of CSR Committee • Sabarmati Gas Limited Member of Nomination & Remuneration Committee: • Central UP Gas Limited	Chairman of CSR Committee: • Sabarmati Gas Limited Member of Nomination & Remuneration Committee: • Sabarmati Gas Limited Member of Investor Relationship Committee: • Sabarmati Gas Limited
No. of meetings attended & details of remuneration	Please refer Directors Report.	Please refer Directors Report.
Shareholding in the Company	Nil	10 equity shares of the Company as a nominee of GSPL
Relationship with any Director/ Manager/ Key Managerial Personnel of the Company	Nil	Nil

Explanatory Statement

Item No. 5

The Board of Directors of the Company has appointed Shri S K Jha (DIN: 07788527) as an Additional Director of the Company with effect from 17th April, 2017 and he holds office up to this Annual General meeting. The Company has received the notice in writing from the shareholder along with requisite deposit pursuant to Section 160 of the Companies Act, 2013 signifying its intention to propose Shri S K Jha for the office of Director. Shri S K Jha, if appointed will be liable to retire by rotation.

Shri S K Jha, is a Mechanical Engineer with over 27 years' Experience in diversified areas of Oil & Gas Pipelines Industry like Project conceptualization, Project Management, Construction, Operations and Maintenance, Integrity Management, Corrosion control, Technical Services.

GSPL INDIA GASNET LIMITED

Presently, working as General Manager (Projects-Systems & Gas) in Pipelines Division, posted at Pipelines HO, Noida. Shri Jha is responsible for expansion of oil and gas pipeline networks and for scouting new business opportunities for Indian Oil Corporation Limited.

Details of his directorship in other companies and membership/chairmanship in committees of Directors of such companies are given below:

Sr No.	Name of the Company	Name of Committee(s)
1	GSPL India Transco Limited	Nil

As Shri S K Jha has been appointed w.e.f. 17th April, 2017, details regarding number of meetings attended and remuneration paid during FY 2016-17 are not applicable.

Shri S K Jha does not hold any shares of the Company. He is not related to any Director/ Manager/ Key Managerial Personnel of the Company.

None of the directors, Key Management Personnel or their relative except Shri S K Jha is, in any way, concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution for your approval.

Item No. 6

The Board of Directors of the Company has appointed Shri S K Sharma (DIN: 07611204) as an Additional Director of the Company with effect from 1st August, 2017 and he holds office up to this Annual General meeting. The Company has received the notice in writing from the shareholder along with requisite deposit pursuant to Section 160 of the Companies Act, 2013 signifying its intention to propose Shri S K Sharma for the office of Director. Shri S K Sharma, if appointed will be liable to retire by rotation.

Shri S K Sharma, is a graduate in Mechanical Engineering from Indian Institute of Technology, Kharagpur. Having joined Indian Oil in June, 1984 as Graduate Engineering Trainee, he has thirty three years of managerial experience in Oil & Gas Marketing, comprising independent field Sales Area, Divisional Offices, State Offices. He has held position of Divisional Manager, State Retail Head, and Head of Highway Strategy Group.

Presently, working as Executive Director, Business Development (Gas), at Corporate Office of Indian Oil Corporation Limited, Shri S K Sharma has been integral part of expansion of Natural Gas Business including Gas Marketing, LNG Terminals, Gas Pipelines & CGDs. He is

GSPL INDIA GASNET LIMITED

responsible for conceiving the overall strategy for gas vertical and overseeing its implementation.

Details of his directorship in other companies and membership/chairmanship in committees of Directors of such companies are given below:

Sr No.	Name of the Company	Name of Committee(s)
1	GSPL India Transco Limited	Member- Nomination & Remuneration Committee
2	Indian Oil Adani Gas Private Limited	-

As Shri S K Sharma has been appointed w.e.f. 1st August, 2017, details regarding number of meetings attended and remuneration paid during FY 2016-17 are not applicable.

Shri S K Sharma does not hold any shares of the Company. He is not related to any Director/ Manager/ Key Managerial Personnel of the Company.

None of the directors, Key Management Personnel or their relative except Shri S K Sharma is, in any way, concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution for your approval.

For GSPL India Gasnet Limited



Nilesht Patel

Senior Manager (S&L)

Date: 1st September, 2017

Place: Gandhinagar

Registered Office:

GSPC Bhavan, Sector-11,

Gandhinagar-382010

Tel: 079-23268500

CIN: U40200GJ2011SGC067449

Website: gspcgroup.com/GIGL/

Email: gigl@gspc.in

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

Registered Office: GSPC Bhavan, Sector-11, Gandhinagar-382010

ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall
Full name of the member/ Proxy* attending:

(*To be filled in if Proxy Form has been duly deposited with the Company):

I/ We hereby record my/ our presence at the **6th Annual General Meeting** of the Company being held at GSPC Bhavan, Sector-11, Gandhinagar - 382010 on Thursday, 28th September, 2017 at 11:00 A.M.

Member's / Proxy's Signature

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

Registered Office: GSPC Bhavan, Sector-11, Gandhinagar-382010

Website: gspcgroup.com/GIGL Email: gigl@gspc.in

PROXY FORM

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

Name & address of the member(s):

E-mail ID:

Folio No.

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

Name & address	Email ID:
	Signature

or failing him

Name & address	Email ID:
	Signature

Or failing him

Name & address	Email ID:
	Signature

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6th **Annual General Meeting** of the Company being held at GSPC Bhavan, Sector - 11, Gandhinagar - 382010 on Thursday, 28th September, 2017 at 11:00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr No	Resolution	For	Against
1	To receive, consider and adopt Financial Statement of the Company for the Financial year ended 31 st March 2017 along with the Reports of the Directors' and Auditors and the comments of the Comptroller and Auditor General of India thereon.		

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2	Reappointment of Shri I S Rao, Director, who retires by rotation.		
3	Reappointment of Shri Ravindra Agrawal , Director, who retires by rotation.		
4	Fixation of remuneration of Statutory Auditors.		
5	Appointment of Shri S K Jha as a Director of the Company.		
6	Appointment of Shri S K Sharma as a Director of the Company.		

Signed on this _____ day of _____, 2017.

Affix
Revenue
stamp

Signature of Member (s)

Signature of Proxy

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

DIRECTORS' REPORT

To,
The Members
GSPL India Gasnet Limited

Your Directors have pleasure in presenting the 6th Annual Report together with the Audited Financial Statements, Reports of the Statutory Auditors and Comptroller & Auditor General of India for the year ended 31st March, 2017.

FINANCIALS

Rs. in Lacs

Particulars	2016-17	2015-16
Total Income	178.42	173.71
Total Expenses	17.52	10.81
Profit Before Tax	160.90	162.90
Tax including Deferred Tax	53.20	53.86
Profit After Tax	107.70	109.04
Transfer to Reserves	-	-

Financials as per Ind-AS

SHARE CAPITAL

During the year under review, the Company has allotted 6,50,00,000 equity shares of Rs. 10 each aggregating to Rs. 65 Crores on rights basis to meet fund requirements for implementing Project. The shareholding of the Company as on 31st March, 2017 is as follows:

Sr. No.	Name of the Shareholder	No. of shares	% holding
1	Gujarat State Petronet Limited	144,050,060	52
2	Indian Oil Corporation Limited	72,025,030	26
3	Bharat Petroleum Corporation Limited	30,472,128	11
4	Hindustan Petroleum Corporation Limited	30,472,128	11
	Total	277,019,346	100

FIXED DEPOSITS

The Company has not accepted/ invited any Fixed Deposits during the year.

DIVIDEND

As the Company is yet to commence commercial operations, no dividend is recommended by the Board of Directors.

PROJECT STATUS

Your Company was incorporated as a Special Purpose Vehicle for implementing the following Natural Gas Pipeline Projects:

Sr. No.	Project	Kms. (approx.)
1	Mehsana-Bhatinda Pipeline Project (MBPL)	1834
2	Bhatinda- Jammu-Srinagar Project (BJSPL)	740

The total length of the pipeline is approximately 2600 Kms and the map showing pipeline route is enclosed herewith as **Annexure – I**. Laying of pipeline requires various approvals, clearances, permissions etc. from multiple authorities including ROU, Environment clearance, wildlife & forest clearances, permissions from other authorities etc. There have been inordinate delays in receiving these statutory approvals/ permissions by the Company. Though most of these permissions have now been obtained by the Company, but the same have been received progressively. Accordingly, keeping in view the progress achieved in obtaining various statutory clearances and availability of gas at CAIRN's Raageshwari Deep Gas (RDG) Terminal at Gudamalani, Rajasthan, the Company has initiated process for implementing such sections of the project initially where statutory clearances, environment approvals and ROU have already been received and gas is available for transportation. For balance sections, the Company has requested PNGRB for time extension of minimum 24 months from the date of receipt of last statutory approvals for commissioning of the Projects.

The Company has already awarded EPC Contracts for the following sections of Projects:

Project	Section	Kms
MBPL	Barmer-Pali Pipeline	181
MBPL	Palanpur-Pali Pipeline	159
BJSPL	Jalandhar Amritsar Pipeline	101

Project implementation activities for all these three sections are in full swing. The EPC contractor for BJSPL has commenced pipeline laying works and the EPC Contractor for MBPL has started civil construction for Control Building.

As the Members are aware that Petroleum & Natural Gas Regulatory Board (PNGRB) has vide letters dated 4th March, 2016 granted time extension till December, 2017 for completing MBPL and BJSPL Projects and has vide said letters encashed 25% of the Performance Bank Guarantee for both these Projects, which has been challenged before the Hon'ble Delhi High Court through writ petition. Hon'ble Delhi High Court has on 29th March, 2016 issued interim directions that no coercive action, including those contemplated in the PNGRB letter dated 4th March, 2016 be undertaken by PNGRB and that no-lien be created on the amounts received by PNGRB through encashment of the Performance Bank Guarantee. The matter is pending before the Division Bench of Delhi High Court.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Since last Directors' Report, Shri D S Nanaware and Shri R K Tikku have ceased to be Directors of the Company w.e.f. 22nd March, 2017 and 31st July, 2017 respectively pursuant to change in nomination by Indian Oil Corporation Limited. The Board places on record its appreciation for the services rendered by them during their tenure as Directors on the Board of the Company.

Shri S K Jha and Shri S K Sharma have been appointed as an Additional Directors of the Company with effect from 17th April, 2017 and 1st August, 2017 respectively. They will hold office upto the date of ensuing Annual General Meeting as per the provisions of Section 161 of the Companies Act, 2013 and Article 101 of the Articles of Association of the Company. It is proposed to regularize their appointment in the ensuing Annual General Meeting.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Shri I S Rao and Shri Ravindra Agrawal will retire by rotation and being eligible, they have offered themselves for re-appointment. The Board of Directors recommends their re-appointment for approval of the shareholders of the Company.

Shri Ravindra Agrawal, Director holds the charge of Chief Executive Officer of the Company. Ms. Pooja Ganatra had been appointed as the Company Secretary.

Shri Neeraj Kumar Singh has been appointed as the Chief Financial Officer of the Company w.e.f. 7th April, 2017 vice Shri K. K Mehta who has resigned w.e.f. 31st March, 2017.

INDEPENDENT DIRECTORS

Shri Chandrasekhar Mani and Dr. Bharatkumar Modi, Independent Directors on the Board of the Company have given declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

BOARD MEETINGS

During the financial year, the Board met five (5) times. The details of these Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	24 th Board Meeting	1 st April, 2016
2	25 th Board Meeting	9 th May, 2016
3	26 th Board Meeting	30 th July, 2016
4	27 th Board Meeting	21 st November, 2016
5	28 th Board Meeting	17 th January, 2017

The attendance of each Director at the Board Meetings held during the FY 2016 - 17:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Shri Atanu Chakraborty, IAS (upto 11 th April, 2016)	1	1
Shri G K Satish (upto 29 th August 2016)	3	3
Dr. J N Singh, IAS (w.e.f 29 th April, 2016)	4	4
Dr T Natarajan, IAS (w.e.f 10 th August, 2016)	2	2
Shri D S Nanaware (upto 22 nd March, 2017)	5	4
Shri R K Tikku (w.e.f 7 th September, 2016)	2	2
Shri H.R Wate	5	3
Shri I.S Rao	5	5
Shri Ravindra Agrawal	5	5
Shri N Bose Babu (upto 10 th August, 2016)	3	3
Shri Manish Seth	5	5
Shri Chandrasekhar Mani	5	3
Dr. Bharatkumar Modi	5	5
Smt. Shobhana Desai	5	2

STATUTORY & CAG AUDIT

Your Company being a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, C&AG have appointed M/s. Singhvi & Mehta, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company for the Financial Year 2016 - 17.

C&AG has given NIL Comment Report for the year ended on 31st March, 2017. The NIL Comment Report is enclosed herewith as **Annexure - II**.

INTERNAL AUDIT & CONTROL SYSTEMS

The Company has appointed M/s. R S Patel & Co. Chartered Accountants as Internal Auditors for the Financial Year 2016 - 17. The observations and recommendations of the Internal Auditors are reported to the management for appropriate action on the same.

The Company has adequate internal financial controls commensurate with its size, scale and operations of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 read with Rules made there under, the Company has appointed M/s. K K Patel and Associates, Practicing Company Secretary as Secretarial Auditor for the Financial Year 2016 - 17. The Report on Secretarial Audit carried out is annexed herewith as **Annexure III**. There are no observations in the Secretarial Audit Report.

AUDIT COMMITTEE

The Company has constituted the Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013. The present constitution of Audit Committee is as follows:

Dr. J N Singh, IAS (w.e.f. 29 th April, 2016)	Chairman
Shri Chandrasekhar Mani	Member
Dr. Bharatkumar Modi	Member

During the financial year, the Audit Committee met two (2) times. The details of these Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	10 th Audit Committee	9 th May, 2016
2	11 th Audit Committee	21 st November, 2016

The attendance of each Director at the Audit Committee Meetings held during the FY 2016 - 17:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Shri J N Singh, IAS	2	1
Shri Chandrasekhar Mani	2	2
Dr. Bharatkumar Modi	2	2

The Audit Committee of Directors of the Company at its Meeting held on 12th May, 2017 approved the Annual Accounts for the year ended on 31st March, 2017 and recommended the same for approval of the Board.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act, 2013, the Board has constituted Nomination and Remuneration Committee of Directors of the Company. The present constitution of Nomination and Remuneration Committee is as follows:

Shri Ravindra Agrawal	Chairman
Shri S K Sharma	Member
Shri Chandrashekhar Mani	Member
Dr. Bharatkumar Modi	Member

The Meeting of the Committee was held on 21st November, 2016 wherein all the above Members were present.

Ministry of Corporate Affairs has vide notification dated 5th June, 2015 exempted government companies from disclosing company's policy on appointment & remuneration of Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013. Your Company being a Government Company is exempted from disclosing the said particulars in Directors' Report.

BOARD EVALUATION

The Company being a joint venture company promoted by government companies viz. GSPL, IOCL, BPCL and HPCL, Directors on the Board are nominated by Promoters in terms of Articles of Association and Joint Venture Agreement.

The Board has carried out the performance evaluation of the individual Directors, the Board as a whole and the statutory Committees of Directors based on the criteria for the evaluation of the performance stipulated in the Policy. The Directors were satisfied with the evaluation result.

Further, as required by the provisions of the Companies Act, 2013 the Independent Directors have also separately reviewed the performance of Non-Independent Directors, Board as a whole etc. and were satisfied with the evaluation result.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

Your Company firmly believes in demonstrating excellence in Quality, Health, Safety and Environment and ensuring safety of all personnel working under our control and promotes harmony with Environment. As a responsible corporate, Your Company endeavors to keep its employees fully aware of HSE aspects through extensive awareness and training.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that,

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2017 and of the profit of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

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

RISK MANAGEMENT

The risk associated with the business of the Company, if any, is brought to the notice of Board from time to time. The Company is implementing the MBPL & BJSPL Projects which requires various approvals, permissions from multiple authorities. Though most of the approvals, permissions have been obtained from various government authorities but the same have been received progressively. Accordingly, keeping in view the progress achieved in obtaining various statutory clearances the Company has recently awarded EPC Contracts for initial phase covering 441 Kms approx. and the construction work is under progress. The Board will develop a Risk Management Policy of the Company in future considering the Project requirements.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Audit Committee has granted omnibus approval for related party transactions and the details of all the transactions entered into with related parties are placed before the Audit Committee for its review. During the year, no material contracts/ arrangements/ transactions requiring disclosure in the AOC - 2 were entered with the Related Parties. However, attention is drawn to the Note No. 28 of the Financial Statements regarding the disclosure of the Related Party Transactions.

EXTRACTS OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013, an extract of the Annual Return in Form MGT -9 is annexed herewith as **Annexure - IV**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant or material order has been passed by any Regulator/ Court or Tribunal impacting the going concern status and Company's operations in future.

PARTICULARS OF EMPLOYEES

The Company being a government company is exempted from disclosing the remuneration and other particulars of employees prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rules made there under.

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

CONSERVATION OF ENERGY: NIL

TECHNOLOGY ABSORPTION: NIL

FOREIGN EXCHANGE EARNINGS & OUTGO FOR THE YEAR:

Foreign Exchange earnings - Nil

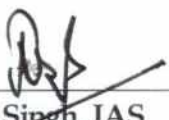
Foreign Exchange Outgo - Nil

ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their appreciation for the continued guidance and support received from the Promoters viz. Gujarat State Petronet Limited, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, and Hindustan Petroleum Corporation Limited, Petroleum & Natural Gas Regulatory Board, Government of India and State Governments and Banks.

Your Company also place on record sincere appreciation for hardwork, dedicated and unstinted efforts of employees at all levels in implementing the Project.

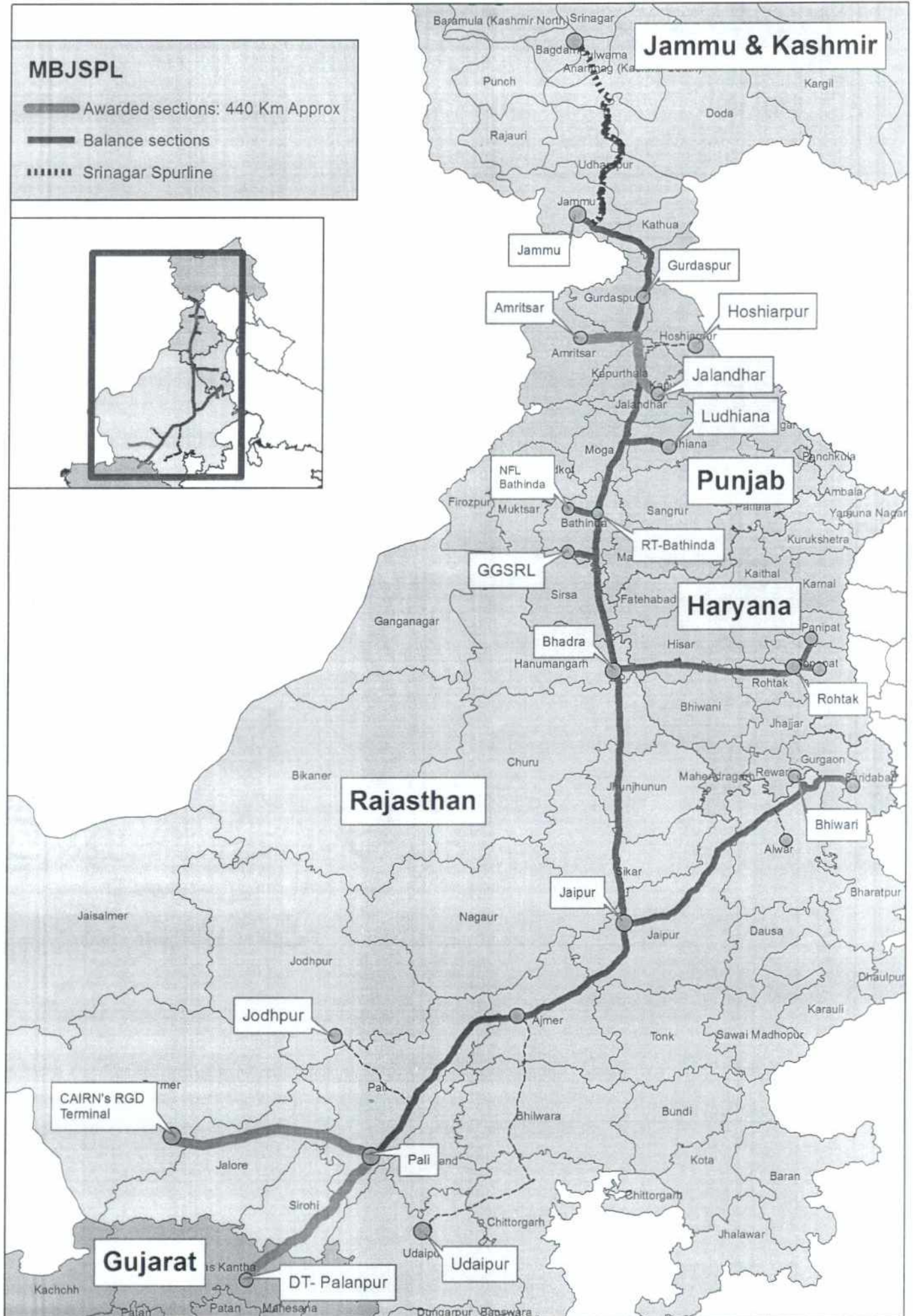
For and on behalf of Board of Directors,



Dr. J N Singh, IAS
Chairman
DIN: 00955107

Date: 28th August 2017
Place: Gandhinagar

MBJSPL Pipeline network





Confidential
By Regd. Post

Annexure-II

कार्यालय

महालेखाकार (आ.एवं रा.क्षे.ले.प.), गुजरात

**Office of the
Accountant General (E&RSA), Gujarat**

No. ES-I/A/cs/GSPL(Gasnet)/2016-17/ 0w 808
18/07/17

To
The Managing Director,
GSPL India Gasnet Limited,
GSPL Bhavan, Plot No. E-18, GIDC, Electronic Estate,
Near K-7 Circle, Sector-26,
Gandhinagar-382028.

Sub:- Comment of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of GSPL India Gasnet Limited for the year ended 31 March 2017.

Sir,

Please find enclosed nil comment certificate of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of GSPL India Gasnet Limited for the year ended 31 March 2017 for being placed before the Annual General Meeting of the Company.

Under Section 143(6) of the Companies Act, 2013 the comments of the Comptroller and Auditor General of India are required to be sent by the Company to every person entitled to copies of audited financial statements under Section 136(1) of the Companies Act, 2013 and also to be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Statutory Auditors' Report of the Company. The date of placing the Report of the Comptroller and Auditor General of India before the Annual General Meeting may please be intimated to this office.

Six copies of the printed accounts may please be sent to this office for our use and record.

Receipt of this letter with its enclosures may please be acknowledged.

Yours faithfully,

Dy. Accountant General (ES-I)

Encl: As above

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF GSPL INDIA GASNET LIMITED FOR THE YEAR
ENDED 31 MARCH 2017**

The preparation of financial statements of **GSPL India Gasnet Limited** for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 12 May 2017.

I, on 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 **GSPL India Gasnet Limited** for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report.

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


12/7/17
(Gurveen Sidhu)
Accountant General (E&RSA), Gujarat

Place: Ahmedabad

Date:



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2017

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

To,
The Members,
GSPL India Gasnet Limited
GSPC Bhavan, B/h Udyog Bhavan
Sector-11, Gandhinagar-382 011

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GSPL India Gasnet Limited**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 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 there-under are not applicable to the Company during the period under review.

- (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 are not applicable to the Company during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *are not applicable* to the Company during the period under review.
- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (vi) 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;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



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

- (i) Petroleum and Natural Gas Regulatory Board Act, 2006 and rules and regulations made there under.
- (ii) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Company being unlisted is not required to comply with the Listing Agreements of Stock Exchange(s)/ SEBI (LODR) Regulations, 2015.

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

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 as on 31.03.2017. 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 directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance & in case of shorter notice required compliance as per Companies Act, 2013 has been ensured.

Generally, all decisions at the Board and Committee meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors and Committee of the Board as the case may be.

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 the Company has

- (i) allotted 2.5 Crores Equity Shares of Rs. 10 each aggregating to Rs. 25 Crores by passing the Board Resolution dated 8th July, 2016 to the existing shareholders on right basis.
- (ii) allotted 4 Crores Equity Shares of Rs. 10 each aggregating to Rs. 40 Crores by passing the Board Resolution dated 14th October, 2016 to the existing shareholders on right basis.



For K. K. Patel & Associates

K.K. Patel

(Kiran Kumar Patel)

Company Secretaries

FCS No. 6384, CP No. 6352

Date: 04.07.2017

Place: Gandhinagar

(This report is to be read with our letter of even date which is annexed as Annexure A (Page5) and forms an integral part of this report.)

To,
The Members,
GSPL India Gasnet Limited
GSPC Bhavan, B/h Udyog Bhavan
Sector-11, Gandhinagar-382 011

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 Statements of the company.*
- 4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
- 5. The Secretarial Audit report is not an assurance as to the future viability of the Company.*

For K K Patel & Associates

K K Patel

(Kiran Kumar Patel)

FCS No. 6384, CP No. 6352



Date: 04.07.2017

Place: Gandhinagar

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U40200GJ2011SGC067449
- ii) Registration Date: 13th October, 2011
- iii) Name of the Company: GSPL India Gasnet Limited
- iv) Category / Sub-Category of the Company: Company having Share Capital / State Government Company
- v) Address of the Registered office and contact details: GSPC Bhavan, Behind Udhyog Bhavan, Sector 11, Gandhinagar - 382010
Phone No.: 079-23268500/ 600 - Fax. 079-23258506
Email: gigl@gspc.in - Website: www.gspcgroup.com
- vi) Whether listed company Yes/ No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any-
NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	The Company is implementing Mehsana- Bhatinda and Bhatinda-Jammu-Srinagar Natural Gas Pipeline Project. The Projects are yet to commence commercial operations.	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. N O	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Gujarat State Petronet Limited	L40200GJ1998SG C035188	Holding Company	52%	2(46)
2	Gujarat State Petroleum Corporation Limited	U23209GJ1979SG C003281	Holding Company	-	2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
A.Promoters (1) Indian (Bodies Corporates) Sub-total (A) (1):-	-	212019346	212019346	100	-	277019346	277019346	100	30.65
(2) Foreign Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	212019346	212019346	100	-	277019346	277019346	100	30.65
B. Public Shareholding	-	-	-	-	-	-	-	-	
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	-	212019346	212019346	100	-	277019346	277019346	100	30.65

ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Gujarat State Petronet Limited	110250060	52	-	144050060	52	-	30.65

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
2	Indian Oil Corporation Limited	55125030	26	-	72025030	26	-	30.65
3	Bharat Petroleum Corporation Limited	23322128	11	-	30472128	11	-	30.65
4	Hindustan Petroleum Corporation Limited	23322128	11	-	30472128	11	-	30.65
	Total	212019346	100	-	277019346	100	-	30.65

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year			-	-
Gujarat State Petronet Limited (GSPL):	110,250,060	52		
Indian Oil Corporation Limited (IOCL):	55,125,030	26		
Bharat Petroleum Corporation Limited (BPCL)	23,322,128	11		
Hindustan Petroleum Corporation Limited (HPCL)	23,322,128	11		
	212,019,346	100		
2,50,00,000 equity shares of Rs. 10 were allotted to promoters on 8 th July, 2016:				
GSPL: 1,30,00,000 (52%)			123,250,060	52
IOCL: 65,00,000(26%)			61,625,030	26
BPCL: 27,50,000 (11%)			26,072,128	11
HPCL: 27,50,000 (11%)			26,072,128	11
4,00,00,000 equity shares of Rs. 10 were allotted to promoters on 14 th October, 2016:				
GSPL: 2,08,00,000 (52%)			144,050,060	52
IOCL: 1,04,00,000 (26%)			72,025,030	26
BPCL: 44,00,000 (11%)			30,472,128	11
HPCL: 44,00,000 (11%)			30,472,128	11
At the End of the year	-	-	277,019,346	100

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	NA		NA	
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NA		NA	
	At the End of the year (or on the date of separation, if separated during the year)	NA		NA	

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Shri Ravindra Agrawal				
	At the beginning of the year	10*	-		-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	10	-	10	-
2	Shri Manish Seth				
	At the beginning of the year	10*	-		-
	Date wise Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	10	-	10	-

* Beneficial interest in these shares is with Gujarat State Petronet Limited

Note: 1) None of the other Directors/ KMP hold any shares in the Company

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL			
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)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil				Nil
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others, specify..					
5.	Others, please specify					
	Total (A)	Nil				Nil
	Ceiling as per the Act					

B. Remuneration to other Directors:

Category	Particulars of remuneration			Total
	Sitting fees for Board & Committee meetings	Commission	Other (Specify)- Out of Pocket	
Independent Directors				
Shri Chandrashekhar Mani	30,000	-	3,000	33,000
Dr. Bharatkumar A Modi	40,000	-	5,000	45,000
Other Non- Executive Directors				
Shri Atanu Chakraborty, IAS (upto 11.04.2016)	Ref Note 1		1,000	1,000
Dr J N Singh, IAS (w.e.f. 29.04.2016)	Ref Note 1		4,000	4,000
Dr T Natarajan, IAS (w.e.f. 10.08.2016)	Ref Note 1		2,000	2,000
Shri N Bose Babu(upto 10.08.2016)	15,000	-	3,000	18,000
Shri Ravindra Agrawal	30,000	-	5,000	35,000
Shri Manish Seth	25,000	-	5,000	30,000
Shri G K Satish (upto 29.08.2016)	Ref Note 2			
Shri R K Tikku (w.e.f. 07.09.2016)	Ref Note 2			
Shri D S Nanaware (upto 22.03.2017)	Ref Note 2			
Shri I S Rao	Ref Note 2			
Shri H R Wate	-			
Smt. Shobhana Desai	10,000		2,000	12,000
Total B				
Total Managerial Remuneration			-	-
Overall Ceiling as per the Act	-	-	-	

Notes:

- 1) Sitting fees in respect of Government Officers is deposited in government treasury
- 2) Sitting fees in respect of Nominee Directors is deposited directly with their respective company.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO*	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-		

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO*	Total
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A			
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others The Company has reimbursed the salary & perquisites including service tax to IOCL		-	53,48,132	53,48,132
	Total		-	53,48,132	53,48,132

* M/s. IOCL has deputed CFO as per the Articles of Association. The Company has reimbursed the above salary including service tax thereon to IOCL.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

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

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF GSPL INDIA GASNET LIMITED****Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Ind AS financial statements of **GSPL INDIA GASNET LIMITED** ("the company"), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (herewith after referred to as "standalone Ind AS financial statements")

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

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

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





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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its Cash Flow and the changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule issued thereunder;
 - e) On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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 the operating effectiveness of such controls, refer to our Report in "Annexure B"; 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note No. 19 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealing in specified bank notes during the period from 08th November, 2016 to 30th December, 2016 and these are in accordance with books of account maintained by Company. Refer Note No. 33 to the standalone Ind AS financial statements.

3. As required by section 143(5) of the Act, we report as under:

(i) Report on Directions under Section 143(5) of Companies Act, 2013:

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 Company has clear title / lease deeds for freehold and leasehold properties.

2. Whether there are any cases of waiver/ write off of debts/ loan/ interest etc. if yes, the reasons there for and the amount involved.

There are no such cases of waiver of debts / loan / interest etc.

3. Whether proper records are maintained for inventories lying with third parties & assets received as gift / grant(s) from Govt. or other authorities.

The Company does not own any inventory lying with third party. Further company has not received any asset as gift / grant from Govt. or other authorities.

(ii) Report on Sector Specific Sub-directions under Section 143(5) of Companies Act, 2013:

INFRASTRUCTURE SECTOR

1. Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided.





SINGHVI & MEHTA

CHARTERED ACCOUNTANTS

111, UNIVERSITY PLAZA, VIJAY CHAR RASTA, NAVRANGPURA, AHMEDABAD (GUJ) DIAL: (O) 30615933 (M)-93-282-55933

The company has taken adequate measures to prevent encroachment and there is no encroachment to the land owned by the company.

2. Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines/ policies of the Government? Comment on deviation if any.

The company does not have any project to be taken up under Public Private Partnership.

3. Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/ losses from contracts, etc., have been properly accounted for in the books.

System for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/ losses from contracts, etc., have been properly accounted for in the books.

4. Whether funds received/ receivable for specific schemes from central/ State agencies were properly accounted for/utilized? List the cases of deviations.

The Company have not received/ receivable any fund for specific schemes from central/ State agencies.

5. Whether the bank guarantees have been revalidated in time?
Bank guarantees have been revalidated in a timely manner.

6. Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.
Confirmation of Balances has been obtained in majority of the cases.

7. The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.
During the year 2016-17, the company has not abandoned any project.

PLACE: GANDHINAGAR
DATED: 12th May, 2017

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 02464W

CA. KALURAM GURJAR
PARTNER
M. NO. 130095



**"Annexure A" to the Independent Auditor's Report**

The annexure referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone Ind AS financial statements of **GSPL INDIA GASNET LIMITED** for the year ended 31st March, 2017, we report that:

FIXED ASSETS

- 1 (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to information provided by the management, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed.
- (c) According to information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the company.

INVENTORIES

- 2 The Company does not hold any physical inventories during the year. Accordingly, clause (ii) of paragraph 3 of "the Order" is not applicable to the Company.

LOANS & ADVANCES

- 3 The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii)(a), (iii)(b) & (iii)(c) of paragraph 3 of "the Order" is not applicable to the Company.

LOANS, INVESTMENT & GUARANTEES

- 4 According to information & explanation given to us, company has not given any loan or provided any guarantee to any person specified under section 185 of Companies Act 2013.

Further, company has not made any investment nor given any loan or provided any guarantee to any body corporate as specified under section 186 of Companies Act 2013. Therefore, clause (iv) of paragraph 3 of "the order" is not applicable to the company.

FIXED DEPOSITS

- 5 According to the information and explanations given to us, the Company has not accepted any deposits therefore directive issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, clause (v) of paragraph 3 of "the Order" is not applicable to the Company.



**6 COST AUDIT RECORDS**

The Central Government has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013. Since Company has not commenced its commercial operations, clause (vi) of paragraph 3 of "the Order" is not applicable to the Company.

7 STATUTORY DUES

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed applicable 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 any other statutory dues, as applicable with the appropriate authorities.
- (b) According to the information and explanation given to us there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess.

8 DEFAULT IN PAYMENT OF DUES

- According to the records of the Company examined by us and the information and explanations given to us, the Company does not have dues to any financial institution or bank or government or debenture holders as at the balance sheet date. Accordingly, clause (viii) of the paragraph 3 of "the Order" is not applicable to the Company.

9 FUND RAISED BY PUBLIC ISSUE/ FOLLOW ON OFFER / TERM LOAN

- The Company has not raised money by way of public issue / follow on offer or through term loan. Therefore, clause (ix) of paragraph 3 of "the order" is not applicable to the company.

10 FRAUD

- During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers / employees has been noticed or reported during the year.

11 MANAGERIAL REMUNERATION

- The Company has not provided / paid any managerial remuneration as specified under section 197 of The Companies Act 2013 during the year. Therefore, clause (xi) of paragraph 3 of the order is not applicable to the company.





SINGHVI & MEHTA

CHARTERED ACCOUNTANTS

111, UNIVERSITY PLAZA, VIJAY CHAR RASTA, NAVRANGPURA, AHMEDABAD (GUJ) DIAL: (O) 30615933 (M)-93-282-55933

- 12 **NIDHI COMPANY**
The company is not a Nidhi Company as defined under section 406 of Companies Act, 2013. Therefore, clause (xii) of paragraph 3 of the order is not applicable to the company.
- 13 **TRANSACTIONS WITH RELATED PARTY**
As per the information and explanation given to us, all transactions with related parties are in compliance with the provision of section 177 and section 188 of Companies Act, 2013. Details of such transaction have been disclosed in the standalone Ind AS Financial statements as required by the applicable accounting standards.
- 14 **PREFERETIAL ALLOTMENT / PRIVATE PLACEMENT OF SHARE / ISSUE OF DEBENTURE**
During the year company has not made any preferential allotment or private placement of shares nor have issued any fully or partly convertible debenture as required under section 42 of Companies Act 2013. Therefore, clause (xiv) of paragraph 3 of the order is not applicable to the company.
- 15 **NON CASH TRANSACTIONS WITH DIRECTORS**
As per the information and explanation given to us, company has not entered in to any non cash transactions with directors or persons connected with him. Therefore, clause (xv) of paragraph 3 of "the order" is not applicable to the company
- 16 **NBFC REGISTRATION**
The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC. Therefore, clause (xvi) of paragraph 3 of "the order" is not applicable to the company.

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 02464W

CA. KALURAM GURJAR
PARTNER
M. NO. 130095



PLACE: GANDHINAGAR
DATED: 12th May, 2017

**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of GSPL INDIA GASNET LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GSPL INDIA GASNET LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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





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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

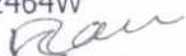
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE: GANDHINAGAR
DATED: 12th May, 2017

FOR SINGHVI & MEHTA
CHARTERED ACCOUNTANTS
FRN 02464W


CA. KALURAM GURJAR
PARTNER
M. NO. 130095





GSPL INDIA GASNET LIMITED

**Standalone Ind AS Financial Statements
2016-2017**



Standalone Ind AS Financial Statements

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

BALANCE SHEET AS AT 31ST MARCH, 2017

				(₹ in Lacs)
Particulars	Notes	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	6,160.21	5,407.73	5,236.03
Capital Work-in-Progress	3	13,467.75	9,929.52	8,358.79
Other Intangible Assets	4	1,817.19	1,537.72	1,470.76
Financial Assets				
Loans	5	110.05	95.90	49.98
Other Financial Assets	6	524.33	759.96	723.69
Deferred Tax Assets (Net)	14	11.38	5.58	2.01
Other Non-Current Assets	7	4,362.71	1,992.17	1,891.74
Total Non-Current Assets		26,453.62	19,728.58	17,733.00
Current Assets				
Financial Assets				
Cash and Cash Equivalents	8	1,101.87	1,544.70	1,758.24
Other Bank Balances	8	487.22	10.35	50.86
Loans	5	23.72	17.73	6.91
Other Financial Assets	6	15.50	17.77	17.08
Other Current Assets	7	1,064.92	911.48	37.94
Total Current Assets		2,693.23	2,502.03	1,871.03
Total Assets		29,146.85	22,230.61	19,604.03
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	9	27,701.93	21,201.93	18,701.93
Other Equity	10	569.60	461.89	352.85
Total Equity		28,271.53	21,663.82	19,054.78
Liabilities				
Non-Current Liabilities				
Net Employee Benefit Liabilities	13	128.09	79.74	54.34
Total Non-Current Liabilities		128.09	79.74	54.34
Current Liabilities				
Financial Liabilities				
Other Financial Liabilities	11	629.38	404.63	423.87
Net Employee Benefit Liabilities	13	63.70	46.87	35.72
Other Current Liabilities	15	54.15	35.55	35.20
Provisions	12	-	-	0.12
Total Current Liabilities		747.23	487.05	494.91
Total Liabilities		875.32	566.79	549.25
Total Equity and Liabilities		29,146.85	22,230.61	19,604.03
Significant Accounting Policies	2			
The accompanying notes are integral part of the Financial Statements.				
As per our report of even date attached				

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For Singhvi & Mehta
Chartered Accountants
Firm Registration No. 02464W

Kaluram Gurjar
Partner
Membership No. 130095

Place: Gandhinagar

Date: 12th May, 2017



For and on behalf of the Board of Directors,

Dr J.N. Singh, IAS
Chairman
DIN: 00955107

N. K. Singh
CFO

Place: Gandhinagar

Date: 12th May, 2017

Ravindra Agrawal
CEO & Director
DIN: 00157236

Pooja Ganatra
Company Secretary





Standalone Ind AS Financial Statements

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31st MARCH, 2017

Particulars	Notes	2016-17	2015-16
(₹ in Lacs)			
INCOME			
Other Income - Interest Income	16	178.42	173.71
Total Income (A)		178.42	173.71
EXPENSES			
Other Expenses	17	17.52	10.81
Total Expenses (B)		17.52	10.81
Profit Before Tax (A-B)		160.90	162.90
Tax Expenses			
Current Tax	14	58.99	57.43
Deferred Tax	14	(5.79)	(3.57)
Profit After Tax for the Period		107.70	109.04
Other Comprehensive Income			
Other Comprehensive Income for the Period, net of tax		-	-
Total Comprehensive Income for the Period		107.70	109.04
Earning per Equity Share (EPS) for Profit for the Period			
(Face Value of ₹ 10)	18		
Basic (₹)		0.04	0.06
Diluted (₹)		0.04	0.06
Significant Accounting Policies	2		
The accompanying notes are integral part of the Financial Statements.			
As per our report of even date attached			

For Singhvi & Mehta
Chartered Accountants
Firm Registration No. 02464W

Kaluram Gurjar
Partner
Membership No. 130095
Place: Gandhinagar
Date: 12th May, 2017



For and on behalf of the Board of Directors,

Dr. J.N. Singh, IAS
Chairman
DIN: 00955107

N. K. Singh
CFO

Place: Gandhinagar
Date: 12th May, 2017

Ravindra Agrawal
CEO & Director
DIN: 00157236

Pooja Ganatra
Company Secretary

Place: Gandhinagar
Date: 12th May, 2017





GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE PERIOD ENDED ON 31 MARCH 2017

A. Equity Share Capital

Particulars	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 10/- each fully paid up		
As at 1 April 2015	187,019,346	18,701.93
Add: New shares allotted during the year	25,000,000	2,500.00
As at 31 March 2016	212,019,346	21,201.93
Add: New shares allotted during the year	65,000,000	6,500.00
As at 31 March 2017	277,019,346	27,701.93

B. Other Equity

(₹ in Lacs)

Particulars	Reserves & Surplus	Total Other Equity
	Retained earnings	
Balance at April 1, 2015	352.85	352.85
Profit for the year	109.04	109.04
Total comprehensive income for the year	109.04	109.04
Balance at March 31, 2016	461.89	461.89
Profit for the year	107.70	107.70
Total comprehensive income for the year	107.70	107.70
Balance at 31 March, 2017	569.59	569.59

For Singhvi & Mehta
Chartered Accountants
Firm Registration No. 02464W



Kaluram Gurjar
Partner
Membership No. 130095
Place: Gandhinagar
Date: 12th May, 2017

For and on behalf of the Board of Directors,

Dr. J.N. Singh, IAS
Chairman
DIN: 00955107

Ravindra Agrawal
CEO & Director
DIN: 00157236



N. K. Singh
CFO

Pooja Ganatra
Company Secretary

Place: Gandhinagar
Date: 12th May, 2017



Standalone Ind AS Financial Statements

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

STATEMENT OF CASH FLOW		
FOR THE YEAR ENDED ON 31 st MARCH, 2017		
Particulars	2016-17	2015-16
Cash Flow from Operating Activities		
Profit before Taxes	160.90	162.90
Adjustments for:		
Interest Income	(178.42)	(173.71)
Net Cash Flow from Operating Activities (A)	(17.52)	(10.81)
Cash Flow from Investing Activities		
Interest Received	170.21	168.04
Taxes Paid	(59.67)	(54.19)
Investment in Fixed Deposits	(62.11)	0.40
(Increase)/Decrease in Financial Assets	(188.79)	(47.92)
(Increase)/Decrease in Other Assets	(2,523.30)	(977.22)
Acquisition of Fixed Assets and Change in CWIP	(4,261.65)	(1,791.84)
Net Cash Flow from Investing Activities (B)	(6,925.31)	(2,702.73)
Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	6,500.00	2,500.00
Net Cash Flow from Financing Activities (C)	6,500.00	2,500.00
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	(442.83)	(213.54)
Cash and Cash Equivalents at the beginning of the period	1,544.70	1,758.24
Cash and Cash Equivalents at the end of the period	1,101.87	1,544.70
Notes to Statement of Cash Flows		
Cash and cash equivalent includes-		
Cash and Cheques on Hand	0.02	0.04
Balances with Scheduled Banks		
in Current Accounts	106.30	9.97
in Fixed Deposit Accounts	995.55	1,534.69
	1,101.87	1,544.70

Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to this year's classification.

As per our report of even date attached

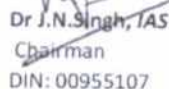
For Singhvi & Mehta
Chartered Accountants
Firm Registration No. 02464W



Kaluram Gurjar
Partner
Membership No. 130095
Place: Gandhinagar
Date: 12th May, 2017



For and on behalf of the Board of Directors,


Dr. J.N. Singh, IAS
Chairman
DIN: 00955107


N. K. Singh
CFO


Ravindra Agrawal
CEO & Director
DIN: 00157236


Pooja Ganatra
Company Secretary



Place: Gandhinagar
Date: 12th May, 2017



GSPL India Gasnet Limited

CIN: U40200GJ2011SGC067449

Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

1. Corporate information

GSPL India Gasnet Limited ('the company') was incorporated on 13th October 2011 under the Companies Act, 1956 as a subsidiary of Gujarat State Petronet Limited (GSPL). On 30th April, 2012, a joint venture agreement was executed between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL(52%), IOCL(26%), BPCL(11%) and HPCL (11%). The Company is developing a natural gas pipeline for transmission of natural gas from Mehsana in Gujarat to Bhatinda in Punjab and Srinagar in Jammu & Kashmir.

Authorization of financial statements

The Standalone Financial Statements were authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 12th May 2017.

2. Significant Accounting Policies

(a) Basis of preparation

The Standalone Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder. The financial statements upto the year ended 31st March 2016 were prepared under historical cost convention in accordance with the mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2015. Refer Note 34 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for certain financial assets and liabilities measured at fair value.

The preparation and presentation of the financial statements requires the management to make estimates, judgments and assumptions that affect the amount reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.





GSPL India Gasnet Limited

CIN: U40200GJ2011SGC067449

Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

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

- Useful lives of property, plant and equipment and intangible assets
- Measurement of Defined Benefit Obligations
- Provisions and contingencies

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

(b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost (net of recoverable taxes), less accumulated depreciation and accumulated impairment losses, if any. The cost of an Property, Plant and Equipment comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and Borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Revenue expenses exclusively attributable to projects incurred during construction period are capitalized.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. Please refer to note 34 for details of the same.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.





GSPL India Gasnet Limited

CIN: U40200GJ2011SGC067449

Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets. Please refer to note 34 for details of the same.

(d) Depreciation and Amortisation

Depreciation on gas transmission pipeline(s) is provided on straight line method (SLM) over estimated useful life. Depreciation on other items of property, plant and equipment is provided on written down value method (WDV) as per useful life prescribed in Schedule II to the Companies Act, 2013 except on Mobile instruments, which are depreciated over useful life of two years on WDV basis based on technical assessment.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Fixed Assets costing up to Rs. 5000/- are depreciated fully in the year of purchase / capitalisation.

Land on finance lease is amortised over the period of lease.

Right of Use (RoU) in land is a right acquired under the law and the company has unrestricted right of entry for laying, operation and maintenance of the pipeline for indefinite period. Hence, RoU is indefinite in nature and not amortised; however, the same is tested for impairment annually. Moreover, Right of Way (ROW) is amortised over 30 years on straight line method starting from the date of commissioning of the respective pipeline as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s). Further, software is amortised at 40% on written down value method.

(e) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

A lease is classified at the inception date as a finance lease or an operating lease.

Finance Lease

Leases are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.





GSPL India Gasnet Limited

CIN: U40200GJ2011SGC067449

Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Finance leases as lessee: Finance leases are capitalised at the commencement of the lease at the inception date 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 reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets.

Finance Leases as Lessor: All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

The Company has given assets on lease to employees at concessional rate where the ownership of the asset transfers to the employees at the end of the lease term. The control over the asset is transferred to the employee since inception while legal ownership is retained by the Company. These are classified as finance leases, accordingly, the Company, has derecognised the items of PPE given to employees and recognised the same as receivable from employees. The difference between the cost of the asset and present value or (absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating Lease

Leases (including those for land) which are not classified as finance leases are considered as operating lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless either:

- (i) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- (ii) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

(f) Borrowing costs

The Company capitalises borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the borrowing cost is charged to the statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.





GSPL India Gasnet Limited

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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- A. Financial assets measured at amortised cost;
- B. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- C. Financial assets measured at fair value through profit or loss (FVTPL).

The Company classifies its financial assets in the above mentioned categories based on:

1. The Company's business model for managing the financial assets, and
2. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

- (i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

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

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (i) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- (ii) The asset's contractual cash flows represent SPPI.

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

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').





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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- A. The contractual rights to the cash flows from the financial asset have expired, or
- B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (i) The Company has transferred substantially all the risks and rewards of the asset, or
 - (ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- (ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss (such as derivative items) and financial liabilities measured at amortised cost (such as loans and borrowings) as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liability includes loans & borrowings as well as other payables.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and derecognition are recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.





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Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent it is probable that some or all of the loan facility will be drawn down. The facility fee and related payments are accounted for as a transaction cost under Ind AS 109. The said facility fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

This category generally applies to interest-bearing loans and borrowings.

Other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Non-Current other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest (EIR) method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

(h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset or CGU is identified as impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.





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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

(i) Fair value measurement

The Company measures financial instruments, such as, derivatives 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 in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(j) Inventory

Inventories including project inventory, stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost.

(k) Employee benefits

Short term employee benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.





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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Post-employment benefits and Other long term employee benefits

Liability towards long term defined employee benefits such as gratuity is determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method. Actuarial gains/losses arising on defined benefit plans are recognised in Other Comprehensive Income (OCI). Post Employment benefits in the form of Super Annuation are recognised as expense on estimated basis. The Company is in the process of creating fund for Gratuity and Superannuation for employees. The Company pays for Defined Contribution Plan such as provident fund and the Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses in the year in which contributions to respective funds accrue. Liability towards other long term employee benefits such as leave encashment is determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method and corresponding impact is recognised as employee benefit expenses.

(l) Foreign currency transactions

The Company's presentation and functional currency is INR. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the time of transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are reported at exchange rate prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing at the time of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

(m) Taxation

Current Tax

The current income tax charge is calculated on the basis of the Income Tax Laws enacted or substantively enacted at the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements, deferred tax amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.





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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses, and unused tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, losses, and credits.

Any tax credit available such as MAT Credit Entitlement is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

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

The carrying amount of deferred tax assets is reviewed at each reporting date. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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 effect of all dilutive potential equity shares.

(o) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.





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Notes to Standalone Ind AS financial statements for the year ended 31st March, 2017

Contingent liability is disclosed by way of notes to accounts in the case of:

- A. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- B. A present obligation arising from the past events, when no reliable estimate is possible;
- C. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognized in the financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(p) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BoD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions; hence the Board of Directors are CODM. Refer note 27 for segment information.

(q) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a remaining maturity at the date of purchase of three months or less and which are subject to an insignificant risk of changes in value.

(r) Statement of Cash Flows

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

(s) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in financial statements.



3 PROPERTY, PLANT AND EQUIPMENT

Property, plant & equipment as at 31st March, 2016

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation*				Net Carrying Amount	
	Deemed Cost As on 1-Apr-15	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-16	Balance As on 1-Apr-15	Additions during the year*	Deduction during the year	Balance As on 31-Mar-16	As on 31-Mar-16	As on 1-Apr-15
Land- Free Hold	4,280.06	68.15	-	4,348.21	-	-	-	-	4,348.21	4,280.06
Land- Lease Hold (Finance Lease)	903.17	26.08	-	929.25	-	9.26	-	9.26	919.99	903.17
Building	27.37	127.13	-	154.50	-	34.78	-	34.78	119.72	27.37
Computers	6.74	-	-	6.74	-	4.32	-	4.32	2.42	6.74
Electrical Installation & Equipment	2.59	-	-	2.59	-	0.68	-	0.68	1.91	2.59
Furniture & Fittings	7.25	4.36	-	11.61	-	2.40	-	2.40	9.21	7.25
Office Equipments	0.49	0.33	-	0.82	-	0.28	-	0.28	0.54	0.49
Vehicles	8.36	-	-	8.36	-	2.63	-	2.63	5.73	8.36
Total Property, Plant and Equipment	5,236.03	226.05	-	5,462.08	-	54.35	-	54.35	5,407.73	5,236.03
Capital Work In Progress									9,929.52	8,358.79

Property, plant & equipment as at 31st March, 2017

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation*				Net Carrying Amount	
	Cost As on 1-Apr-16	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-17	Balance As on 1-Apr-16	Additions during the year*	Deduction during the year	Balance As on 31-Mar-17	As on 31-Mar-17	As on 31-Mar-16
Land- Free Hold	4,348.21	217.25	-	4,565.46	-	-	-	-	4,565.46	4,348.21
Land- Lease Hold (Finance Lease)	929.25	590.32	-	1,519.57	9.26	12.89	-	22.15	1,497.42	919.99
Building	154.50	20.28	-	174.78	34.78	58.25	-	93.03	81.75	119.72
Computers	6.74	1.25	-	7.99	4.32	1.03	-	5.35	2.64	2.42
Electrical Installation & Equipment	2.59	-	-	2.59	0.68	0.50	-	1.18	1.41	1.91
Furniture & Fittings	11.61	0.59	-	12.20	2.40	2.49	-	4.89	7.31	9.21
Office Equipments	0.82	-	-	0.82	0.28	0.25	-	0.53	0.29	0.54
Vehicles	8.36	-	-	8.36	2.63	1.80	-	4.43	3.93	5.73
Total Property, Plant and Equipment	5,462.08	829.69	-	6,291.77	54.35	77.21	-	131.56	6,160.21	5,407.73
Capital Work In Progress									13,467.75	9,929.52

* Depreciation amounting to ₹ 77.21 Lacs (31 March 2016: ₹ 54.35 Lacs) has been transferred to Capital Work in Progress.



(i) Information regarding gross block of assets and accumulated depreciation of property, plant and equipment under previous GAAP as on April 1, 2015:

Particulars	Gross Block	Accumulated Depreciation	Net Block
Land- Free Hold	4,280.06	-	4,280.06
Land- Lease Hold	907.92	4.75	903.17
Building	35.63	8.26	27.37
Communication Equipments	4.72	3.55	1.17
Computers	56.47	41.21	15.26
Electrical Installation & Equipment	4.02	1.43	2.59
Furniture & Fittings	10.74	3.50	7.24
Office Equipments	1.01	0.52	0.49
Vehicles	59.61	23.09	36.52
Total Property, Plant and Equipment	5,360.18	86.31	5,273.87

(ii) Leasehold Land

The lease term in respect of land acquired under finance leases is 99 years.

(iii) Contractual Obligations

Refer to Note 20 for disclosure of contractual commitments for the acquisition /construction of property, plant and equipment.

4 OTHER INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Computer Software			
Cost or deemed cost			
Balance at the beginning of the Year	37.17	32.84	32.84
Add: Addition during the Year	0.36	4.33	-
Closing Gross Carrying Amount	37.53	37.17	32.84
Accumulated Amortisation			
Balance at the beginning of the Year	13.29	-	-
Add: Addition during the Year	9.59	13.29	-
Closing Accumulated Amortisation	22.88	13.29	-
Net Carrying Amount	14.65	23.88	32.84



Particulars	(₹ in Lacs)		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Right of Use / Right of Way</u>			
Cost or deemed cost			
Balance at the beginning of the Year	1,513.84	1,437.92	1,437.92
Add: Addition during the Year	288.70	75.92	-
Closing Gross Carrying Amount	1,802.54	1,513.84	1,437.92
Accumulated Amortisation			
Balance at the beginning of the Year	-	-	-
Add: Addition during the Year	-	-	-
Closing Accumulated Amortisation	-	-	-
Net Carrying Amount	1,802.54	1,513.84	1,437.92
Total Net Carrying Amount of Other Intangible Assets	1,817.19	1,537.72	1,470.76

5 LOANS

Particulars	(₹ in Lacs)		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Non-Current</u>			
Housing building advance to employees			
Secured, considered good	67.48	51.27	48.56
Unsecured, considered good	27.87	29.67	-
Other loans and advances to employees			
Unsecured, considered good	14.70	14.96	1.42
Total Non-Current Loans	110.05	95.90	49.98
<u>Current</u>			
Housing building advance to employees			
Secured, considered good	4.45	5.11	2.94
Unsecured, considered good	3.21	1.60	-
Other loans and advances to employees			
Unsecured, considered good	16.06	11.02	3.97
Total Current Loans	23.72	17.73	6.91

6 OTHER FINANCIAL ASSETS

Particulars	(₹ in Lacs)		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Non-Current</u>			
Margin money deposit - Bank Guarantees	12.37	427.13	387.02
Security deposit given (Unsecured - considered good)	511.74	331.58	332.19
Receivable from employees (Unsecured - considered good)	0.22	1.25	4.48
Total Non-Current Other Financial Assets	524.33	759.96	723.69
<u>Current</u>			
Security deposit given (Unsecured - considered good)	1.20	2.98	0.95
Receivable from employees (Unsecured - considered good)	1.12	1.47	2.21
Others	13.18	13.32	13.92
Total Current Other Financial Assets	15.50	17.77	17.08



7 OTHER ASSETS

Particulars	₹ in Lacs)		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Non-Current			
Capital advances	1,936.24	51.80	50.22
Unamortised transaction costs on borrowings	1,167.66	953.99	953.99
Balances with Government Authorities	1,254.02	981.36	861.03
Advance income tax and TDS (net of provision)	0.97	0.30	3.59
Prepaid expenses	-	1.45	8.49
Deferred employee cost	3.82	3.27	14.42
Total Non-Current Other Assets	4,362.71	1,992.17	1,891.74
Current			
Unamortised transaction costs on borrowings	44.91	-	-
Balances with Government Authorities	0.37	1.16	0.17
Payment under protest	1,002.88	880.00	-
Prepaid expenses	8.55	20.26	23.80
Advances to suppliers	0.75	0.75	1.57
Deferred employee cost	7.46	8.93	12.40
Other	-	0.38	-
Total Current Other Assets	1,064.92	911.48	37.94

8 CASH AND OTHER BANK BALANCES

Particulars	₹ in Lacs)		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Cash and Cash Equivalents			
Balances with banks			
In current accounts	106.30	9.97	59.00
Fixed deposit with original maturity of less than 3 months	995.55	1,534.69	1,698.75
Cash on hand	0.02	0.04	0.49
Total Cash and Cash Equivalents	1,101.87	1,544.70	1,758.24
Other Bank Balances			
Margin money deposit - bank guarantees	487.22	10.35	50.86
Total Bank Balance other than Cash and Cash Equivalents	487.22	10.35	50.86



9 EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2015	2,000,000,000	200,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2016	2,000,000,000	200,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2017	2,000,000,000	200,000.00

Reconciliation of the number of shares outstanding

Particulars	Notes	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Equity shares of ₹ 10/- each fully paid up			
As at 1 April 2015		187,019,346	18,701.93
Add: New shares allotted during the year		25,000,000	2,500.00
As at 31 March 2016		212,019,346	21,201.93
Add: New shares allotted during the year		65,000,000	6,500.00
As at 31 March 2017		277,019,346	27,701.93

Rights, Preferences, and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the events of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholder(s) holding more than 5% equity shares in the Company

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Number of Equity Shares			
Gujarat State Petronet Limited (including Nominee Shareholders)	144,050,060	110,250,060	97,250,060
Indian Oil Corporation Limited	72,025,030	55,125,030	48,625,060
Bharat Petroleum Corporation Limited	30,472,128	23,322,128	20,572,128
Hindustan Petroleum Corporation Limited	30,472,128	23,322,128	20,572,128
% Holding in Equity Shares			
Gujarat State Petronet Limited (including Nominee Shareholders)	52.00%	52.00%	52.00%
Indian Oil Corporation Limited	26.00%	26.00%	26.00%
Bharat Petroleum Corporation Limited	11.00%	11.00%	11.00%
Hindustan Petroleum Corporation Limited	11.00%	11.00%	11.00%



10 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Retained Earnings	569.60	461.89	352.85
Total Other Equity	569.60	461.89	352.85

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
<u>Retained Earnings</u>		
Opening balance	461.89	352.85
Add:		
Profit during the period	107.70	109.04
Closing balance	569.59	461.89

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in full.

11 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Current</u>			
Other payables (including for capital goods and services) [Refer Note 25 for details due to micro, small and medium enterprises]	629.38	403.63	423.77
Earnest money deposit	-	1.00	0.10
Total Current Other Financial Liabilities	629.38	404.63	423.87

12 PROVISIONS

(₹ in Lacs)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Current</u>			
Provision for Wealth Tax	-	-	0.12
Total Current Provisions	-	-	0.12

13 NET EMPLOYEE BENEFIT LIABILITIES

(₹ in Lacs)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
<u>Non-Current</u>			
Provision for gratuity	46.24	29.47	21.32
Provision for leave salary	81.85	50.27	33.02
Total Non-Current Net Employee Benefit Liabilities	128.09	79.74	54.34
<u>Current</u>			
Provision for gratuity	0.78	0.12	0.05
Provision for leave travel allowance	6.06	5.48	6.74
Provision for superannuation benefits	53.68	39.03	27.38
Provision for leave salary	3.18	2.24	1.55
Total Current Net Employee Benefit Liabilities	63.70	46.87	35.72



14 INCOME TAX EXPENSES

Income tax expense in the statement of profit and loss comprises:

	(₹ in Lacs)	
Particulars	2016-17	2015-16
Current taxes	58.99	57.43
Deferred Taxes	(5.79)	(3.57)
Income Tax Expenses	53.20	53.86

Deferred tax assets (net) relates to the following:

	(₹ in Lacs)		
Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015

Deferred Tax Liabilities

Total Deferred Tax Liabilities (A)	-	-	-
---	---	---	---

Deferred Tax Assets

Preliminary expenditure u/s 35AD	2.01	2.01	2.01
Other Expenses	9.37	3.57	-
Total Deferred Tax Assets (B)	11.38	5.58	2.01
Net Deferred Tax Assets (B-A)	11.38	5.58	2.01

(i) Movements in Deferred Tax Assets (net)

	(₹ in Lacs)		
Particulars	Other Expenses	Preliminary expenditure u/s 35AD	Total
At 1 April 2015	-	2.01	2.01
Charged/(credited)			
- to profit or loss	3.57	-	3.57
- to other comprehensive income	-	-	-
At 31 March 2016	3.57	2.01	5.58
Charged/(credited)			
- to profit or loss	5.80	-	5.80
- to other comprehensive income	-	-	-
At 31 March 2017	9.37	2.01	11.38

(ii) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

	(₹ in Lacs)	
Particulars	2016-17	2015-16
Accounting Profit before income tax expenses	160.90	162.90
Tax at the Indian tax rate of 33.063% (2015-16 - 33.063%)	53.20	53.86
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	-
Adjustments for the current tax of prior periods	-	-
Income Tax Expenses at the effective income tax rate of 33.063% (2015-16: 33.063%)	53.20	53.86

15 OTHER CURRENT LIABILITIES

	(₹ in Lacs)		
Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Current			
Other Statutory Liability	54.15	35.55	35.20
Total Current Non-Financial Liabilities	54.15	35.55	35.20



16 OTHER INCOME

(₹ in Lacs)		
Particulars	2016-17	2015-16
Interest income		
Interest on Fixed deposits with banks	170.21	168.04
Interest Income - House Building Advance	8.21	5.67
Total Other Income	178.42	173.71

17 OTHER EXPENSES

(₹ in Lacs)		
Particulars	2016-17	2015-16
Director Sitting Fees	3.03	2.95
Statutory Audit Fees	1.52	1.52
Rates & Taxes	0.74	0.29
Legal & Professional Expenses	10.73	4.50
Other Expenses	0.80	0.97
Travelling Expenses - Directors	0.70	0.58
Total Other Expenses	17.52	10.81

18 EARNING PER SHARE

Particulars	2016-17	2015-16
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	107.70	109.04
Adjusted for the effect of dilution	107.70	109.04
Weighted average number of Equity Shares for:		
Basic EPS	248,827,565	194,942,843
Adjusted for the effect of dilution	248,827,565	194,942,843
Earnings Per Share (₹):		
Basic	0.04	0.06
Diluted	0.04	0.06



19 CONTINGENT LIABILITIES

(₹ in Lacs)

Sr No	Particulars	As at	As at	As at
		31 st March, 2017	31 st March, 2016	1 st April, 2015
A	Claims against company not acknowledged as debts	1,101.29	880.00	0.82
	Claims against company not acknowledged as debts include ₹880.00 Lacs (Previous Year: ₹880.00 Lacs) paid to PNGRB under protest and ₹122.88 Lacs (Previous Year: Nil) paid to various other authorities under protest. PNGRB has encashed the Performance Bank Guarantee amounting to ₹880 Lacs. The Company has challenged the same in Delhi High Court. As the matter is sub-judice at Delhi High Court, payment of ₹880 Lacs has been disclosed as "Payment Under Protest".			
B	Guarantees excluding financial guarantees			
	Outstanding Bank Guarantees	2,938.56	2,816.35	3,632.65

20 COMMITMENTS

(₹ in Lacs)

Sr No	Particulars	As at	As at	As at
		31 st March, 2017	31 st March, 2016	1 st April, 2015
A	Capital Commitments			
	Estimated amount of contracts remaining to be executed on capital account and not provided for	104,650.93	11,050.76	10,631.69
B	Other Commitments			

21 PAYMENT TO AUDITORS

(₹ in Lacs)

Particulars	2016-17	2015-16
For statutory audit	1.51	1.51
For other services	-	-
For reimbursement of expenses	0.15	0.15
Total	1.66	1.66

22 In the opinion of management, any of the assets other than items of Property, Plant and Equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

23 The balances of sundry debtors, creditors, loans & advances and deposits are subject to confirmation. Provision for all liabilities is adequate in opinion of the Company.

24 During the year, the Company is in pre-operation stage. Hence, revenue from operations is Nil for the year.

25 Information in respect Micro, Small and Medium Enterprises Development Act, 2006; Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(₹ in Lacs)

Particulars	As at	As at	As at
	31 st March, 2017	31 st March, 2016	1 st April, 2015
Principal amount remaining unpaid	3.10	3.93	8.34
Interest due thereon	-	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Interest accrued and remaining unpaid	-	-	-
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	-	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management.



26 DISCLOSURES FOR EMPLOYEE BENEFITS AS PER INDIAN ACCOUNTING STANDARD - 19

Assumptions used for valuation: In arriving at the valuation for gratuity & leave encashment following assumptions were used:

Particulars	2016-17		2015-16	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Mortality	Indian Assured Lives Mortality (2006-08) Ult. 5% at younger age reducing to 1% at old age		Indian Assured Lives Mortality (2006-08) Ult. 5% at younger age reducing to 1% at old age 60 years	
Withdrawal rate				
Retirement Age				
Discount Rate Current Period	7.40%	7.40%	8.10%	8.10%
Rate of Return on Plan Assets Current Period	NA	NA	NA	NA
Salary escalation Current Period	7.00%	7.00%	7.00%	7.00%

The following table sets out status of gratuity plan and leave salary as required under Indian Accounting Standard 19 on "Employee Benefit".

Particulars	2016-17		2015-16	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Table showing change in benefit obligation				
Opening defined benefit obligation	29.59	52.51	21.36	34.57
Interest Cost	2.39	4.16	1.66	2.64
Current Service Cost	11.48	14.49	10.20	26.67
Benefit Paid	-	-	-	(9.30)
Actuarial Loss / (gain) on Obligations	3.56	13.87	(3.63)	(2.06)
Liability at the end of the period	47.02	85.03	29.59	52.51
Table showing change in Fair Value of Plan Assets				
Fair Value of Plan Assets at the beginning	-	-	-	-
Adjustment to Opening fund	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial gain / (loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the period	-	-	-	-
Actual Gain / loss recognized				
Actuarial (gain) / loss on obligations	3.56	13.87	(3.63)	(2.06)
Actuarial (gain) / loss on Plan Assets	-	-	-	-
Net Actuarial (gain) / loss recognized during year	3.56	13.87	(3.63)	(2.06)
Amount recognized in Balance Sheet				
Liability at the end of the period	47.02	85.03	29.59	52.51
Fair Value of Plan Asset at the end of the period	-	-	-	-
Net Amount recognized in Balance Sheet	47.02	85.03	29.59	52.51
Expense recognized in the Income Statement				
Current Service cost	11.48	14.49	10.20	26.67
Interest cost	2.39	4.16	1.66	2.64
Expected return on Plan Asset	-	-	-	-
Net Actuarial Loss / (gain) recognized	3.56	13.87	(3.63)	(2.06)
Net Expense recognized during the year	17.43	32.52	8.23	27.24
Current liability	0.78	3.18	0.12	2.24
Non-current liability	46.24	81.85	29.47	50.27
Total Liability	47.02	85.03	29.59	52.51

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Sensitivity analysis - Gratuity	2016-17		2015-16	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	44.29	50.02	28.10	31.22
Salary growth rate (0.5% movement)	49.00	45.15	30.16	28.60

Sensitivity analysis - Leave Salary	2016-17		2015-16	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	79.37	91.30	49.13	56.24
Salary growth rate (0.5% movement)	91.29	79.32	56.26	49.08



27 SEGMENT INFORMATION

The Company has not started commercial operations and will primarily be engaged in single segment of natural gas transportation business, which involves transportation of natural gas from sources of supply to end customers. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the results of the business as a once, hence no separate segment needs to be disclosed.

28 RELATED PARTY DISCLOSURES

GSPL India Gasnet Limited is a joint venture between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL(52%), IOCL(26%), BPCL(11%) and HPCL (11%).

Transactions* with related parties during the year as per Indian Accounting Standard - 24 on "Related Party Disclosures" are as follows:

	(₹ in Lacs)	
Name of Related Party, relationship & nature of transactions	2016-17	2015-16
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	210.76	299.71
Expenditure Reimbursement Received	182.67	207.11
Purchase of Assets	-	2.25
Rent Expense	52.42	46.70
Investment in Equity Shares by GSPL	3,380.00	1,300.00
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Engineering Consultancy Expenses	176.13	-
Expenditure Reimbursement Paid	53.48	44.99
Pipeline Crossing Charges Paid	2.99	-
Security Deposit Paid	10.18	-
Sitting Fees#	0.57	0.51
Investment in Equity Shares by IOCL	1,690.00	650.00
Bharat Petroleum Corporation Ltd. (entity with joint control of the Company)		
Sitting Fees#	0.29	0.23
Investment in Equity Shares by BPCL	715.00	275.00
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Pipeline Crossing Charges Paid	1.44	-
Investment in equity shares by HPCL	715.00	275.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Expenditure Reimbursement Paid	13.98	19.75
Expenditure Reimbursement Received	-	0.81
Purchase of Computer Software	-	1.37
Gujarat Gas Limited (Other related parties)		
Expenditure Reimbursement Paid	-	9.15
Sale of Fixed Assets	-	4.45
GSPL India Transco Ltd. (Other related parties)		
Purchase of Assets	0.38	-
Sale of Assets	0.45	-
Expenditure Reimbursement Paid	0.63	-
Expenditure Reimbursement Received	0.30	-
Key Managerial Personnels		
Sitting Fees#	2.07	2.06

* The above transactions are inclusive of all taxes, wherever applicable.

Sitting Fees includes service tax paid under reverse charge mechanism, wherever applicable.



(f) Details of Outstanding Balance with Related Parties: (₹ in Lacs)

Name of Related Party	31-Mar-17	31-Mar-16	01-Apr-15
Gujarat State Petronet Ltd. (entity with joint control of the Company)			
Account Receivable	13.18	13.32	13.92
Account Payable	22.58	70.71	25.08
Indian Oil Corporation Ltd. (entity with joint control of the Company)			
Account Receivable	61.30	51.11	51.11
Account Payable	47.24	59.35	59.35
Bharat Petroleum Corporation Ltd. (entity with joint control of the Company)			
Account Receivable	-	-	-
Account Payable	-	-	-
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)			
Account Receivable	1.00	1.38	1.00
Account Payable	-	-	-
Gujarat State Petroleum Corporation Ltd. (Other related parties)			
Account Receivable	-	-	-
Account Payable	5.79	1.79	28.22
Gujarat Gas Limited (Other related parties)			
Account Receivable	-	-	-
Account Payable	-	-	-
GSPL India Transco Ltd. (Other related parties)			
Account Receivable	-	-	-
Account Payable	-	-	-
Key Managerial Personnels			
Account Receivable	-	-	-
Account Payable	-	-	-



29 FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS

A. Financial Instruments by category and their fair value

('₹ in Lacs)

As at 31 March 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan					-	-	-	-
- Non-current	-	-	110.05	110.05	-	110.05	-	110.05
- Current	-	-	23.72	23.72	-	-	-	-
Cash and Cash Equivalents	-	-	1,101.87	1,101.87	-	-	-	-
Other Bank Balances	-	-	487.22	487.22	-	-	-	-
Other financial assets								
- Non-current	-	-	524.33	524.33	-	524.33	-	524.33
- Current	-	-	15.50	15.50	-	-	-	-
Total financial assets	-	-	2,262.69	2,262.69	-	634.38	-	634.38
Financial liabilities								
Other financial liabilities								
- Current	-	-	629.38	629.38	-	-	-	-
Total financial liabilities	-	-	629.38	629.38	-	-	-	-

('₹ in Lacs)

As at 31 March 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan					-	-	-	-
- Non-current	-	-	95.90	95.90	-	95.90	-	95.90
- Current	-	-	17.73	17.73	-	-	-	-
Cash and Cash Equivalents	-	-	1,544.70	1,544.70	-	-	-	-
Other Bank Balances	-	-	10.35	10.35	-	-	-	-
Other financial assets								
- Non-current	-	-	759.96	759.96	-	759.96	-	759.96
- Current	-	-	17.77	17.77	-	-	-	-
Total financial assets	-	-	2,446.41	2,446.41	-	855.86	-	855.86
Financial liabilities								
Other financial liabilities								
- Current	-	-	404.63	404.63	-	-	-	-
Total financial liabilities	-	-	404.63	404.63	-	-	-	-

('₹ in Lacs)

As at 1 April 2015	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan					-	-	-	-
- Non-current	-	-	49.98	49.98	-	49.98	-	49.98
- Current	-	-	6.91	6.91	-	-	-	-
Cash and Cash Equivalents	-	-	1,758.24	1,758.24	-	-	-	-
Other Bank Balances	-	-	50.86	50.86	-	-	-	-
Other financial assets								
- Non-current	-	-	723.69	723.69	-	723.69	-	723.69
- Current	-	-	17.08	17.08	-	-	-	-
Total financial assets	-	-	2,606.76	2,606.76	-	773.67	-	773.67
Financial liabilities								
Other financial liabilities								
- Current	-	-	423.87	423.87	-	-	-	-
Total financial liabilities	-	-	423.87	423.87	-	-	-	-



Fair value hierarchy

Level I - Quoted prices in active markets for identical assets or liabilities such as quoted price for an equity security on Security Exchanges.

Level II - 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).

Level III - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

B. Financial risk management

The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Credit risk on cash and cash equivalents is limited as the Company makes investment in deposits with banks only.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company's principal sources of liquidity are cash and cash equivalents. The Company has signed Rupee Loan Facility Agreement for Term Loan of Rs.4,474 crore. However, disbursement of loan is not yet taken by the company.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

31-Mar-17	Contractual cash flows					
	Carrying amount	Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Current financial liabilities	629.38	629.38	629.38			
Total	629.38	629.38	629.38	-	-	-

31-Mar-16	Contractual cash flows					
	Carrying amount	Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Current financial liabilities	404.63	404.63	404.63	-	-	-
Total	404.63	404.63	404.63	-	-	-

01-Apr-15	Contractual cash flows					
	Carrying amount	Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Current financial liabilities	423.87	423.87	423.87	-	-	-
Total	423.87	423.87	423.87	-	-	-

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Interest rate risk includes risk that the future cash flows of floating interest bearing borrowings fluctuate because of fluctuation in the interest rates.

The functional currency of the Company is Indian Rupees. The Company do not use derivative financial instruments for trading, speculative or other purposes.



30 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company has signed Rupee Loan Facility Agreement for Term Loan of Rs.4,474 crore with a consortium of 14 banks with Punjab National Bank as the Lead Bank. However, disbursement of loan is not yet taken by the company.

31 As at the balance sheet date, Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

32 Previous year figures have been reclassified or regrouped wherever necessary.

33 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(In ₹)			
Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	30,000.00	322.00	30,322.00
(+) Permitted receipts	-	26,530.00	26,530.00
(-) Permitted payments	-	10,500.00	10,500.00
(-) Amount deposited in Banks	30,000.00	-	30,000.00
Closing cash in hand as on December 30, 2016	-	16,352.00	16,352.00

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

34 EXPLANATION OF TRANSITION TO IND AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening balance sheet at April 1, 2015 (the Company's date of transition).

In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemption and exception applied

In preparing these financial statements, the Company has applied the below optional exemptions and mandatory exceptions in line with principles of Ind AS 101.



Optional exemptions

1. Property, Plant and Equipment (PPE) and Intangible Assets

Ind AS 101 provides the below options with respect to the items of PPE and intangible assets:

- Carry forward the previous GAAP carrying values as at the transition date as "deemed cost" under Ind AS, provided there is no change in functional currency.
- Fair value the items of PPE as at the transition date and use this as the "deemed cost" under Ind AS.
- Restate the carrying values of PPE retrospectively as at the transition date based on Ind AS 16.

The above options are available for intangible assets and investment property as well except fair value option not permitted for investment property.

The Company has opted to measure all the items of PPE, intangible assets and investment properties at the previous GAAP carrying values as at the transition date.

2. Determining whether an arrangement contains a lease

As per Appendix C to Ind AS 17, at the inception, an assessment is to be made whether an arrangement contains a lease or not. Ind AS 101 permits an entity to make an assessment based on the facts and circumstances existing as at the transition date.

Based on the exemption, assessment of whether an arrangement contains a lease or not has been made on the basis of facts and circumstances existing as at the transition date. Further, lease classification i.e. operating or finance lease is made at the inception of lease.

Mandatory exceptions

Below are the key mandatory exceptions used in preparation of these financial statements:

1. Estimates

Under Ind AS 101, an entity's estimates in accordance with Ind AS at 'the date of transition to Ind AS' or 'the end of the comparative period presented in the entity's first Ind AS financial statements', as the case may be, should be consistent with estimates made for the same date in accordance with previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

The Company's Ind AS estimates as on the transition date are consistent with the estimates made under previous GAAP as on this date.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.



Reconciliation of total equity as at 31 March, 2016 and 1 April, 2015

		₹ in Lacs	
Particulars	Footnote Ref	31-Mar-16	01-Apr-15
Total equity as per previous GAAP		21,671.06	19,054.79
Adjustments:			
Other Expenses	1	(10.80)	
Tax effects of adjustments	1	3.57	
Total equity as per Ind AS		21,663.83	19,054.79

Reconciliation of total comprehensive income for the year ended 31 March 2016

		₹ in Lacs	
Particulars	Footnote Ref	2015-16	
Profit after tax as per previous GAAP			116.27
Items of expenditure not directly attributable to the acquisition/construction of items of PPE	1		(10.80)
Tax effects of adjustments			3.57
Total Adjustments			(7.23)
Profit after tax as per Ind AS			109.04
Other comprehensive income			-
Total comprehensive income as per Ind AS			109.04

Notes to the reconciliation:

1. Under Previous GAAP, the Company had capitalised certain expenditure which are not directly attributable to the acquisition/construction of the items of PPE. Under Ind AS, such expenditures (incurred post transition date) need to be expensed out in the period in which the same is incurred. Accordingly, there is a net of tax decrease amounting to ₹ 7.23 Lacs in profit for the period ending on 31 March, 2016 and equity as at 31 March, 2016.

For Singhvi & Mehta
Chartered Accountants
Firm Registration No. 02464W

Kaluram Gurjar



Kaluram Gurjar
Partner
Membership No. 130095
Place: Gandhinagar
Date: 12th May, 2017

For and on behalf of the Board of Directors,

Dr J.N. Singh
Dr J.N. Singh, IAS
Chairman
DIN: 00955107

Ravindra Agrawal
Ravindra Agrawal
CEO & Director
DIN: 00157236

N. K. Singh
N. K. Singh
CFO

Pooja Ganatra
Pooja Ganatra
Company Secretary

Place: Gandhinagar
Date: 12th May, 2017

