GSPL INDIA TRANSCO LIMITED

7th ANNUAL REPORT 2017-18

Board of Directors

Dr. J N Singh, IAS	Chairman
Dr. T Natarajan, IAS	Director
Shri S K Sharma	Director
Shri S K Jha	Director
Shri Mahesh Narain	Director w.e.f. 13-08-2018
Shri J S Prasad	Director w.e.f. 13-08-2018
Smt. Shobhana Desai	Director
Shri Chandrasekhar Mani	Independent Director
Dr. Bharatkumar Modi	Independent Director
Shri N Bose Babu	Director & CEO

Company Secretary
Nilesh Patel

Statutory Auditors
M/s. B P Bang & Co.
Chartered Accountants,
Ahmedabad

Internal Auditors
M/s. R.S.Patel
Chartered Accountants
Ahmedabad

Secretarial Auditors
M/s. K.K.Patel
Practicing Company Secretaries,
Gandhinagar

Registered Office
GSPC Bhavan,
Behind Udyog Bhavan,
Sector-11,Gandhinagar-382010
CIN: U40200GJ2011SGC067450
Website:gspcgroup.com/GITL
Email: gitl@gspc.in

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

DIRECTORS' REPORT

To,
The Members
GSPL India Transco Limited

Your Directors have pleasure in presenting the 7th 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, 2018.

FINANCIALS

Rs. in Lacs

Particulars	2017-18	2016-17
Total Income	234.00	153.66
Total Expenses	32.77	16.56
Profit Before Tax	201.23	137.10
Tax including Deferred Tax	66.53	45.33
Profit After Tax	134.70	91.77
Transfer to Reserves	-	-

Financials as per Ind-AS

SHARE CAPITAL

During the year under review, the Company has allotted 17,60,00,000 equity shares of Rs. 10 each aggregating to Rs. 176 Crores on rights basis to meet fund requirements for implementing Project. The shareholding of the Company as on 31st March, 2018 is as follows:

Sr. No.	Name of the Shareholder	No. of shares	% holding
1	Gujarat State Petronet Limited	19,81,20,000	52.00
2	Indian Oil Corporation Limited	9,90,60,000	26.00
3	Bharat Petroleum Corporation Limited	4,19,10,000	11.00
4	Hindustan Petroleum Corporation Limited	4,19,10,000	11.00
	Total	**38,10,00,000**	**100.00**

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 Mallavaram- Bhopal -Bhilwara - Vijaipur Pipeline Project. The total length of the pipeline is approximately 1881 Kms and the map showing pipeline route is enclosed herewith as **Annexure – I.** The pipeline will traverse through the State of Andhra Pradesh, Telangana, Maharashtra, Madhya Pradesh Rajasthan and Gujarat.

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, the Company has initiated process for implementing sections of the project where statutory clearances, approvals have already been received. 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 Project.

The Company has already awarded EPC Contract for Pipeline and Associated facilities from Kunchanapalle Dispatch Terminal, Andhra Pradesh to Ramagundam Fertilizers & Chemicals Limited's Plant at Ramagundam, Telangana. Project implementation activities for this section are in progress.

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 was 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. Hon'ble Delhi High Court vide its order dated 12th April, 2018 disposed off the writ petition filed by the Company challenging the encashment of PBG by PNGRB. The Hon'ble High Court vide its said order *interalia* granted liberty to avail alternate remedy of filing an appeal under Section 33 of PNGRB Act before the Appellate Tribunal for Electricity (APTEL). Accordingly an Appeal has been filed before APTEL and APTEL has extended the interim protection granted by Hon'ble High Court to the Company and directed PNGRB not to take any coercive steps against the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Shri Chandrasekhar Mani and Dr. Bharatkumar Modi were appointed as an Independent Directors on the Board of the Company for a term of 3 years i.e. upto 30th March, 2018 pursuant to provisions of Section 149 and 152 of the Companies Act, 2013. Shri Chandrasekhar Mani and Dr. Bharat Kumar Modi, being eligible and qualified for re-appointment for a further term, the Board has approved appointment of Shri Chandrasekhar Mani and Dr. Bharatkumar Modi, as an Independent Directors for further term of one year subject to approval of Shareholders. It is therefore proposed to recommend their appointment at the ensuing Annual General Meeting.

Shri Mahesh Narain and Shri J. S. Prasad have been appointed as Additional Directors on the Board of the Company w.e.f. 13th August, 2018. They will hold office upto the date of ensuing Annual General Meeting as per provisions of Section 161 of Companies Act 2013 and Articles 101 of the Articles of Association of the Company. It is proposed to regularize their appointment in the ensuing Annual General Meeting.

Shri I S Rao and Shri H R Wate have ceased to be Directors on the Board of the Company w.e.f. 25th June 2018 and 9th July 2018 respectively pursuant to change in nomination by Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited. Further, Shri Manish Seth is ceased to be Director on the Board of Company w.e.f. 8th August, 2018.The Board places on record its appreciation for the services rendered by them during their tenure as Directors on the Board of Company.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Dr. J.N.Singh, IAS and Dr. T Natarajan, IAS 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 N Bose Babu, Director holds the charge of Chief Executive Officer of the Company. Shri Pravin Amin had been appointed as Chief Financial Officer of the Company and Shri Nilesh Patel had been appointed as the Company Secretary

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 four (4) times. The details of the Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	28th Board Meeting	12th May, 2017
2	29th Board Meeting	4th July, 2017
3	30th Board Meeting	1st November, 2017
4	31st Board Meeting	13th December, 2017

The attendance of each Director at the Board Meetings held during the FY 2017- 18:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Dr. J N Singh, IAS	4	3
Dr T Natarajan, IAS	4	4
Shri R K Tiku (upto 31st July 2017)	2	2
Shri S K Jha (w.e.f. 17th April 2017)	4	3
Shri S K Sharma(w.e.f 1st August 2017)	2	1
Shri H.R Wate	4	2
Shri I.S. Rao	4	3
Shri N Bose Babu	4	4
Shri Manish Seth	4	4
Shri Chandrasekhar Mani	4	3
Dr. Bharatkumar Modi	4	4
Smt. Shobhana Desai	4	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. B. P. Bang & Co., Chartered Accountants, Ahmedabad as Statutory Auditors of the Company for the Financial Year 2017-18.

C&AG has given NIL Comment Report for the year ended on 31st March, 2018. 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 2017-18. 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 2017-18. 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 and the present constitution of Audit Committee is as follows:

Dr. J N Singh, IAS	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	12^{th} Audit Committee	12^{th} May, 2017
2	13^{th} Audit Committee	1^{st} November, 2017

The attendance of each Director at the Audit Committee Meetings held during the FY 2017 – 18:

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

The Audit Committee of Directors of the Company at its Meeting held on 14^{th} May, 2018 approved the Annual Accounts for the year ended on 31^{st} March, 2018 and recommended the same for approval of the Board.

NOMINATION AND REMUNERATION COMMITTEE

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 N Bose Babu	Chairman
Shri S K Sharma	Member
Shri Chandrashekhar Mani	Member
Dr. Bharatkumar Modi	Member

The Meeting of the Committee was held on 4^{th} July, 2017 wherein all the Members were present.

Ministry of Corporate Affairs has vide notification dated 5^{th} 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.

VIGIL MECHANISM

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who use such mechanism, and allows direct access to the chairperson of the Audit Committee in exceptional cases. The same is available on the website www.gspcgroup.com/GITL.

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.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

The advancement of technology provides fresh challenges in pursuit of quality and the organizations that are able to meet these challenges will only be able to survive. Since the Project is in nascent stage, it is thought fit to adopt the Quality Management System – ISO 9001-2008 (QMS). It is quality management system based on the principles that existence of an organization is dependent upon satisfied customers, continuous improvement of the operations and "prevention is better than cure".

Your Company firmly believes in demonstrating excellence in Quality, Health, Safety and Environment and has framed a Quality Policy highlighting the commitment to implement QMS and ensuring safety of all personnel working under our control and promote 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, 2018 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 Mallavaram- Bhopal - Bhilwara - Vijaipur Pipeline Project and most of these approvals, permissions have been received from various government authorities. Since these approvals, permissions have been received progressively, the Company has initiated process of implementing sections of the Project where statutory approvals, clearances have been received and has already awarded EPC Contract for Pipeline and Associated facilities from Kunchanapalle Dispatch Terminal, Andhra Pradesh to Ramagundam Fertilizers & Chemicals Limited's Plant at Ramagundam, Telangana. 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. 27 of the Financial Statements regarding the disclosure of the Related Party Transactions.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year, your Company has not provided any loans, guarantees or investments.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Internal Complaints Committee has been constituted at GSPC group level for investigating complaints regarding sexual harassment.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, Annual Return of the Company is placed on the website of the company at www.gspcgroup.com/GITL/investors

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 EARNIGNS 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

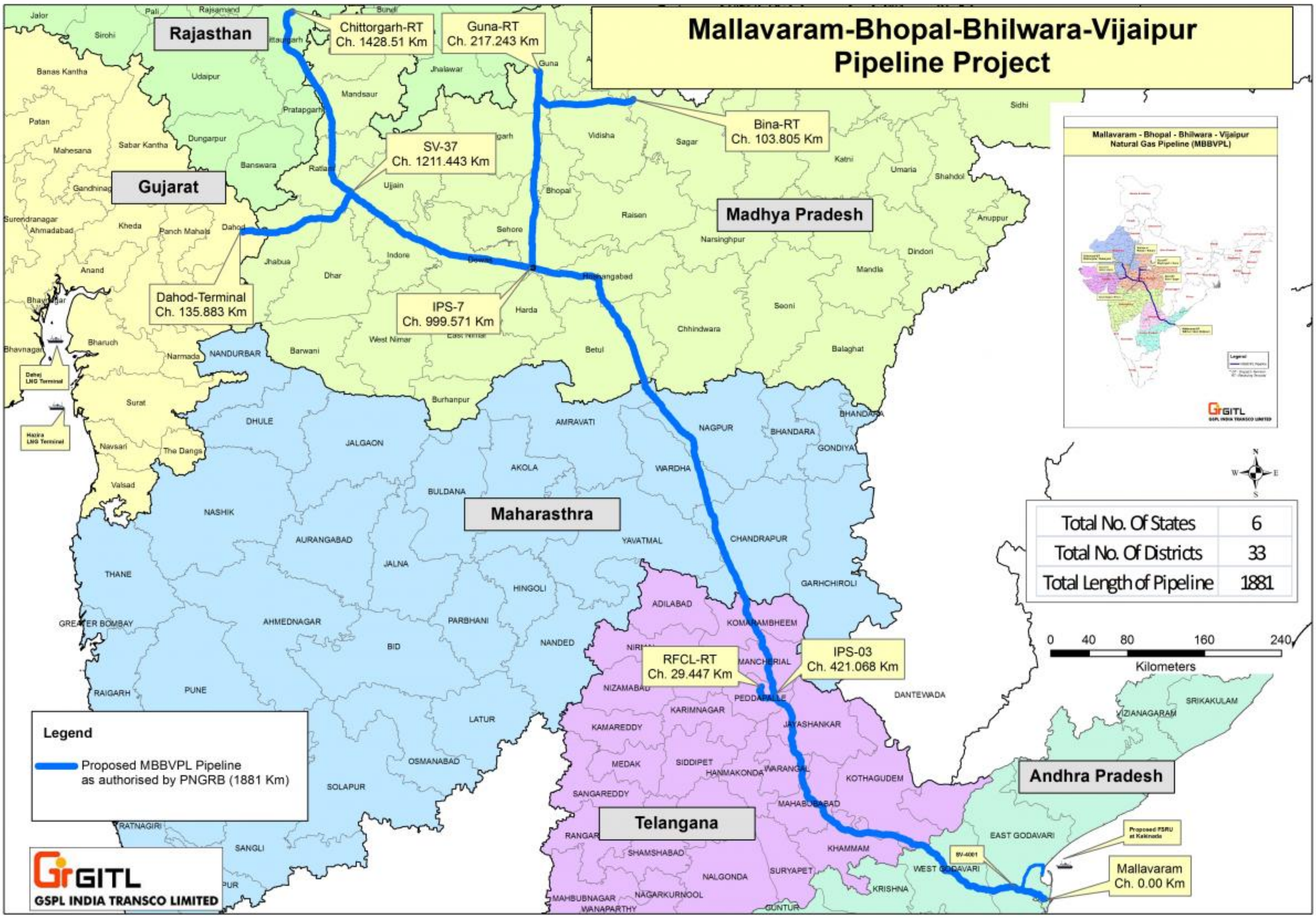
Your Directors are pleased to place on record their appreciation for the continued guidance and support received from the Promoters viz. Gujarat State Petronet Limited, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, and Hindustan Petroleum Corporation Limited, Petroleum & Natural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

Your Company also place on record sincere appreciation for hard work, 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: 11th September, 2018
Place: Gandhinagar



Mallavaram-Bhopal-Bhilwara-Vijaipur
Pipeline Project
Rajasthan
Gujarat
Madhya Pradesh
Maharasthra
Telangana
Andhra Pradesh
Chittorgarh-RT
Ch. 1428.51 Km
Guna-RT
Ch. 217.243 Km
Bina-RT
Ch. 103.805 Km
SV-37
Ch. 1211.443 Km
Dahod-Terminal
Ch. 135.883 Km
IPS-7
Ch. 999.571 Km
RFCL-RT
Ch. 29.447 Km
IPS-03
Ch. 421.068 Km
Mallavaram
Ch. 0.00 Km
Total No. Of States 6
Total No. Of Districts 33
Total Length of Pipeline 1881
0 40 80 160 240
Kilometers
Legend
Proposed MBBVPL Pipeline
as authorised by PNGRB (1881 Km)
GSPL INDIA TRANSCO LIMITED
Mallavaram - Bhopal - Bhilwara - Vijaipur
Natural Gas Pipeline (MBBVPL)
Udaipur
Mandsaur
Ujjain
Indore
Dhar
Jhabua
Bhopal
Sehore
Vidisha
Sagar
Raisen
Harda
Betul
Chhindwara
Seoni
Mandla
Balaghat
Narsinghpur
Dindori
Katni
Umaria
Shahdol
Anuppur
Sidhi
Guna
Jhalawar
Banswara
Dungarpur
Pratapgarh
Ratlam
Dahod
Panch Mahals
Kheda
Anand
Bharuch
Narmada
Surat
Navsari
Valsad
The Dangs
NANDURBAR
DHULE
JALGAON
AKOLA
AMRAVATI
NAGPUR
BHANDARA
GONDIYA
WARDHA
BULDANA
NASHIK
AURANGABAD
JALNA
YAVATMAL
CHANDRAPUR
GARHCHIROLI
HINGOLI
PARBHANI
NANDED
THANE
AHMEDNAGAR
BID
PUNE
RAIGARH
LATUR
OSMANABAD
SOLAPUR
SANGLI
RATNAGIRI
ADILABAD
NIZAMABAD
KARIMNAGAR
JAYASHANKAR
KAMAREDDY
MEDAK
SIDDIPET
SANGAREDDY
KOTHAGUDEM
KHAMMAM
SHAMSHABAD
NALGONDA
SURYAPET
NAGARKURNOOL
MAHBUBNAGAR
WANAPARTHY
KRISHNA
GUNTUR
WEST GODAVARI
EAST GODAVARI
DANTEWADA
VIZIANAGARAM
SRIKAKULAM

Confidential
By Regd. Post

सत्यमेव जयते

कार्यालय
प्रधान महालेखाकार (आ.एवं रा.क्षे.ले.प.), गुजरात
Office of the
Principal Accountant General (E&RSA), Gujarat

No. ES-I/A/cs/GSPL(Transco)/2017-18/O.W. 602
31/07/18

To
The Managing Director,
GSPL India Transco 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 Transco Limited for the year ended 31 March 2018.

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 Transco Limited for the year ended 31 March 2018 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,

Sr. Dy. Accountant General (ES-I)

Encl: As above

लेखापरीक्षा भवन, नवरंगपुरा, अहमदाबाद - 380 009. Audit Bhavan, Navrangpura, Ahmedabad - 380 009.
फोन / Phone : 079-26403713, 26561327, 26405874, 26561282, 26560892
फेक्स / Fax : 079-26561853 E-mail : agaugujarat1@cag.gov.in

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 TRANSCO LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statements of **GSPL India Transco Limited** for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act 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 14 May 2018.

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

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

31/7/18
(H. K. Dharmadarshi)
Pr. Accountant General (E&RSA), Gujarat

Place: Ahmedabad
Date:
31 JUL 2018

KIRAN KUMAR PATEL B.Com, FCS

K. K. PATEL & ASSOCIATES
Company Secretaries

Plot No. 305, 2nd Floor, Padmavati Appartment, Nr. GH-6 Circle, Sector-29, Gandhinagar - 382 029. Ph. 079-23243088 Mob. 98250 23204 Email : cs_kiranpatel@yahoo.co.in

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
GSPL India Transco Limited
GSPC Bhavan, B/h UdyogBhavan
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 Transco 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, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder are not applicable to the Company during the period under review.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the period under review.

K. K. PATEL & ASSOCIATES C.P. 6352 FCS. 6384

(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

K. K. PATEL & ASSOCIATES
C.P. 6352
FCS. 6384

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 31.03.2018. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance & 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 2,50,00,000 Equity Shares of Rs. 10 each aggregating to Rs. 25 Crores by passing the Board Resolution dated 4th July, 2017 to the existing shareholders on right basis.

K. K. PATEL & ASSOCIATES
C.P. 6352
FCS. 6334

(ii) allotted 11,00,00,000 Equity Shares of Rs. 10 each aggregating to Rs. 110 Crores by passing the Board Resolution dated 1st September, 2017 to the existing shareholders on right basis.

(iii) allotted 4,10,00,000 Equity Shares of Rs. 10 each aggregating to Rs. 41 Crores by passing the Board Resolution dated 12th March, 2018 to the existing shareholders on right basis.

K. K. PATEL & ASSOCIATES COMPANY SECRETARIES C.P. 6352 FCS. 6384

For K. K. Patel & Associates

(Kiran Kumar Patel)
Company Secretaries
FCS No. 6384, CP No. 6352

Date: 11.09.2018
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.)*

KIRAN KUMAR PATEL B.Com, FCS

K. K. PATEL & ASSOCIATES
Company Secretaries

Plot No. 305, 2nd Floor, Padmavati Appartment, Nr. GH-6 Circle, Sector-29, Gandhinagar - 382 029. Ph. 079-23243088 Mob. 98250 23204 Email : cs_kiranpatel@yahoo.co.in

'Annexure A'

To,
The Members,
GSPL India Transco Limited
GSPC Bhavan, B/h UdyogBhavan
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 & ASSOCIATES C.P. 6352 FCS. 6384

(Kiran Kumar Patel)
FCS No. 6384, CP No. 6352

Date: 11.09.2018
Place: Gandhinagar

GITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	3,363.41	2,565.92
Capital Work-In-Progress	3	19,292.87	10,641.62
Other Intangible Assets	4	5,419.23	2,067.62
Financial Assets			
Loans	5	101.58	100.29
Other Financial Assets	6	1,907.22	1,744.22
Deferred Tax Assets (Net)	13	22.92	12.08
Other Non-Current Assets	7	7,760.34	2,169.24
Total Non-Current Assets		**37,867.57**	**19,300.99**
Current Assets			
Financial Assets			
Cash and Cash Equivalents	8	2,113.98	1,388.15
Other Bank Balances	8	2,277.99	370.92
Loans	5	25.93	24.39
Other Financial Assets	6	31.32	18.02
Other Current Assets	7	588.65	529.43
Total Current Assets		**5,037.87**	**2,330.91**
Total Assets		**42,905.44**	**21,631.90**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	38,100.00	20,500.00
Other Equity	10	704.68	569.99
Total Equity		**38,804.68**	**21,069.99**
Liabilities			
Non-Current Liabilities			
Net Employee Benefit Liabilities	12	195.25	130.94
Total Non-Current Liabilities		**195.25**	**130.94**
Current Liabilities			
Financial Liabilities			
Other Financial Liabilities	11	3,741.88	364.40
Net Employee Benefit Liabilities	12	58.43	38.72
Other Current Liabilities	14	105.20	26.27
Current Tax Liabilities (Net)		-	1.58
Total Current Liabilities		**3,905.51**	**430.97**
Total Liabilities		**4,100.76**	**561.91**
Total Equity and Liabilities		**42,905.44**	**21,631.90**
Significant Accounting Policies	2	-	

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors,

For B P Bang & Co.
Chartered Accountants
Firm Registration No. 010621C

Pratap Ram
Partner
Membership No.142935
Place: Gandhinagar
Date: 14-May-2018

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

GSPL INDIA TRANSCO LIMITED GITL GANDHINAGAR

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

N. Bose Babu
CEO & Director
DIN: 03617497

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 14-May-2018

GITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Notes	2017-18	2016-17
INCOME			
Other Income - interest income	15	234.00	153.66
Total Income (A)		**234.00**	**153.66**
EXPENSES			
Other Expenses	16	32.77	16.56
Total Expenses (B)		**32.77**	**16.56**
Profit Before Tax (A-B)		**201.23**	**137.10**
Tax Expenses			
Current Tax	13	77.37	50.80
Deferred tax	13	(10.84)	(5.47)
Profit After Tax for the Period		**134.70**	**91.77**
Other Comprehensive Income		-	-
Other Comprehensive Income for the Period, net of tax		-	-
Total Comprehensive Income for the Period		**134.70**	**91.77**
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 10)	17		
Basic (₹)		0.05	0.05
Diluted (₹)		0.05	0.05
Significant Accounting Policies	2		

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors,

For B P Bang & Co.
Chartered Accountants
Firm Registration No. 010621C

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

Pratap Ram
Partner
Membership No.142935
Place: Gandhinagar
Date: 14-May-2018

GSPL INDIA TRANSCO LIMITED GITL GANDHINAGAR

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

N. Bose Babu

N. Bose Babu
CEO & Director
DIN: 03617497

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 14-May-2018

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

Statement of Changes in Equity (SOCIE) for the period ended on 31ST March, 2018

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 2016	**16,50,00,000**	**16,500.00**
Add: New shares allotted during the year	4,00,00,000	4,000.00
As at 31 March 2017	**20,50,00,000**	**20,500.00**
Add: New shares allotted during the year	17,60,00,000	17,600.00
As at 31 March 2018	**38,10,00,000**	**38,100.00**

B. Other Equity

(₹ in Lacs)

Particulars	Share application money pending alotment	Reserves & Surplus	Total Other Equity
		Retained earnings	
Balance at April 1, 2016	**390.00**	**478.22**	**868.22**
Shares pending allotment now alloted	(390.00)	-	(390.00)
Profit for the year	-	91.77	91.77
Total comprehensive income for the year	**(390.00)**	**91.77**	**(298.23)**
Balance at March 31, 2017	-	**569.99**	**569.99**
Profit for the year	-	134.70	134.70
Total comprehensive income for the year	-	**134.70**	**134.70**
Balance at 31 March, 2018	-	**704.69**	**704.69**

As per our report of even date attached

For and on behalf of the Board of Directors,

For B P Bang & Co.
Chartered Accountants
Firm Registration No. 010621C

Pratap Ram
Partner
Membership No.142935
Place: Gandhinagar
Date: 14-May-2018

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

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

N. Bose Babu
CEO & Director
DIN: 03617497

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Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 14-May-2018

GSPL INDIA TRANSCO LIMITED GITL GANDHINAGAR

GITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lacs)

Particulars	2017-18	2016-17
Cash Flow from Operating Activities		
Profit before Taxes	201.23	137.10
Adjustments for:		
Interest Income	(234.00)	(153.66)
Net Cash Flow from Operating Activities (A)	**(32.77)**	**(16.56)**
Cash Flow from Investing Activities		
Interest Received	225.23	147.48
Other Income	-	0.54
Taxes paid	(83.51)	(50.70)
Investment in Fixed Deposits	(2,060.60)	(7.98)
Acquisition of Fixed Assets and Change in CWIP	(9,260.09)	(2,061.40)
(Increase)/Decrease in Other Assets	(5,645.60)	(196.72)
(Increase)/Decrease in Financials Assets	(16.83)	(523.63)
Net Cash Flow from Investing Activities (B)	**(16,841.40)**	**(2,692.41)**
Cash Flow from Financing Activities*		
Proceeds from issue of Equity Share Capital	17,600.00	3,610.00
Net Cash Flow from Financing Activities (C)	**17,600.00**	**3,610.00**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**725.83**	**901.03**
Cash and Cash Equivalents at the beginning of the period	**1,388.15**	**487.12**
Cash and Cash Equivalents at the end of the period	**2,113.98**	**1,388.15**

Notes to Statement of Cash Flows

Cash and cash equivalent includes-	2017-18	2016-17
Cash and Cheques on Hand	0.05	0.23
Balances with Scheduled Banks		
in Current Accounts	90.51	111.11
in Deposit Accounts	2,023.42	1,276.81
	2,113.98	**1,388.15**

Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to this year's classification.
* As there is no other item under cash flows from financing activities, the reconciliation as per Ind AS 7 is not required.

As per our report of even date attached

For and on behalf of the Board of Directors,

For B P Bang & Co.
Chartered Accountants
Firm Registration No. 010621C

Pratap Ram
Partner
Membership No.142935
Place: Gandhinagar
Date: 14-May-2018

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

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

N. Bose Babu
CEO & Director
DIN: 03617497

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 14-May-2018

GSPL INDIA TRANSCO LIMITED GANDHINAGAR

3 PROPERTY, PLANT AND EQUIPMENT

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 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	2,425.44	2.87	-	2,428.31	-	-	-	-	2,428.31	2,425.44
Factory Building	-	183.63	-	183.63	-	56.28	-	56.28	127.35	-
Furniture & Fittings	2.60	-	-	2.60	0.68	0.51	-	1.19	1.41	1.92
Computers	9.13	0.16	-	9.29	5.71	0.35	-	6.06	3.23	3.42
Office Equipments	2.07	-	-	2.07	0.30	0.30	-	0.60	1.47	1.77
Electrical Installation & Equipment	0.42	-	-	0.42	0.11	0.08	-	0.19	0.23	0.31
Vehicles	8.34	-	-	8.34	2.63	1.79	-	4.42	3.92	5.71
Total Property, Plant and Equipment	**2,448.00**	**186.66**	**-**	**2,634.66**	**9.43**	**59.31**	**-**	**68.74**	**2,565.92**	**2,438.57**
Capital Work In Progress									**10,641.62**	**8,712.70**

Property, plant & equipment as at 31st March, 2018

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-17	Additions/ Adjustments during the year	Deduction during the during the year	Balance As on 31-Mar-18	Balance As on 1-Apr-17	Additions during the year*	Deduction during the year	Balance As on 31-Mar-18	As on 31-Mar-18	As on 31-Mar-17
Land- Free Hold	2,428.31	855.54	-	3,283.85	-	-	-	-	3,283.85	2,428.31
Factory Building	183.63	-	-	183.63	56.28	57.91	-	114.19	69.44	127.35
Furniture & Fittings	2.60	-	-	2.60	1.19	0.38	-	1.57	1.03	1.41
Computers	9.29	0.55	-	9.84	6.06	1.18	-	7.24	2.60	3.23
Office Equipments	2.07	3.09	-	5.16	0.60	0.93	-	1.53	3.63	1.47
Electrical Installation & Equipment	0.42	-	-	0.42	0.19	0.06	-	0.25	0.17	0.23
Vehicles	8.34	-	-	8.34	4.42	1.23	-	5.65	2.69	3.92
Total Property, Plant and Equipment	**2,634.66**	**859.18**	**-**	**3,493.84**	**68.74**	**61.69**	**-**	**130.43**	**3,363.41**	**2,565.92**
Capital Work In Progress									**19,292.87**	**10,641.62**

* Depreciation amounting to ₹ 61.69 Lacs (31 March 2017: 59.31 Lacs) has been transferred to Capital Work in Progress.

GSPL INDIA TRANSCO LIMITED GANDHINAGAR GITL

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

(i) Contractual Obligations
Refer to Note 19 for disclosure of contractual commitments for the acquisition/construction of property, plant and equipment.

4 OTHER INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Computer Software		
Cost or deemed cost		
Balance at the beginning of the Year	25.60	25.60
Add: Addition during the Year	13.62	-
Closing Gross Carrying Amount	**39.21**	**25.60**
Accumulated Amortisation		
Balance at the beginning of the Year	15.53	8.82
Add: Addition during the Year	7.11	6.71
Closing Accumulated Amortisation	**22.64**	**15.53**
Net Carrying Amount	**16.57**	**10.07**

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Right of Use / Right of Way		
Cost or deemed cost		
Balance at the beginning of the Year	2,057.55	1,945.67
Add: Addition during the Year	3,345.11	111.88
Closing Gross Carrying Amount	**5,402.66**	**2,057.55**
Accumulated Amortisation		
Balance at the beginning of the Year	-	-
Add: Addition during the Year	-	-
Closing Accumulated Amortisation	-	-
Net Carrying Amount	**5,402.66**	**2,057.55**
Total Net Carrying Amount of Other Intangible Assets	**5,419.23**	**2,067.62**

GSPL INDIA TRANSCO LIMITED GANDHINAGAR

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

5 LOANS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-Current		
Housing building advance to employees		
Secured, considered good	22.94	70.28
Unsecured, considered good	66.56	11.23
Other loans and advances to employees		
Unsecured, considered good	12.08	18.78
Total Non-Current Loans	**101.58**	**100.29**
Current		
Housing building advance to employees		
Secured, considered good	6.66	5.43
Unsecured, considered good	-	-
Other loans and advances to employees		
Unsecured, considered good	19.27	18.96
Total Current Loans	**25.93**	**24.39**

6 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-Current		
Margin money deposit - bank guarantee / letter of credit	344.18	190.65
Security deposit given (Unsecured - considered good)	1,555.16	1,551.46
Receivable from employees (Unsecured - considered good)	7.88	2.11
Total Non-Current Other Financial Assets	**1,907.22**	**1,744.22**
Current		
Security deposit given (Unsecured - considered good)	20.49	7.68
Receivable from employees (Unsecured - considered good)	2.57	1.45
Others	8.26	8.89
Total Current Other Financial Assets	**31.32**	**18.02**

GSPL INDIA TRANSCO LIMITED GSITL GANDHINAGAR

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

7 OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-Current		
Capital advances	6,646.05	163.48
Unamortised transaction costs on borrowings	1,074.93	986.07
Balances with Government Authorities	-	1,005.70
Prepaid expenses	2.45	2.45
Deferred employee cost	32.19	11.54
Advance payment of tax	4.72	-
Total Non-Current Non-Financial Assets	**7,760.34**	**2,169.24**
Current		
Balances with Government Authorities	1.51	0.10
Unamortised transaction costs on borrowings	47.24	-
Payment under protest	500.00	500.00
Prepaid expenses	8.92	9.84
Advances to suppliers	3.46	5.26
Deferred employee cost	27.52	14.18
Other	-	0.05
Total Current Non-Financial Assets	**588.65**	**529.43**

8 CASH AND OTHER BANK BALANCES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Cash and Cash Equivalents		
Balances with banks		
In current accounts	90.51	111.11
Fixed deposit with original maturity of less than 3 months	2,023.42	1,276.81
Cash on hand	0.05	0.23
Total Cash and Cash Equivalents	**2,113.98**	**1,388.15**
Other Bank Balances		
Margin money deposit - bank guarantees	119.44	370.92
Fixed deposit with original maturity of less than 12 months	2,158.55	-
Total Bank Balance other than Cash and Cash Equivalents	**2,277.99**	**370.92**

GSPL INDIA TRANSCO LIMITED GANDHINAGAR GITL

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

9 EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2016	**2,200,000,000**	**220,000.00**
Increase/(decrease) during the year	-	-
As at 31 March 2017	**2,200,000,000**	**220,000.00**
Increase/(decrease) during the year	-	-
As at 31 March 2018	**2,200,000,000**	**220,000.00**

Reconciliation of number of shares outstanding

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 2016	**165,000,000**	**16,500.00**
Add: New shares allotted during the year	40,000,000	4,000.00
As at 31 March 2017	**205,000,000**	**20,500.00**
Add: New shares allotted during the year	176,000,000	17,600.00
As at 31 March 2018	**381,000,000**	**38,100.00**

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Number of Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	198,120,000	106,600,000
Indian Oil Corporation Limited	99,060,000	53,300,000
Bharat Petroleum Corporation Limited	41,910,000	22,550,000
Hindustan Petroleum Corporation Limited	41,910,000	22,550,000
% Holding in Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	52.00%	52.00%
Indian Oil Corporation Limited	26.00%	26.00%
Bharat Petroleum Corporation Limited	11.00%	11.00%
Hindustan Petroleum Corporation Limited	11.00%	11.00%

GITL TRANSCO LIMITED GANDHINAGAR

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

10 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Retained Earnings	704.68	569.99
Total Other Equity	**704.68**	**569.99**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Retained Earnings		
Opening balance	569.99	478.22
Add:		
Profit during the period	134.70	91.77
Closing balance	**704.69**	**569.99**

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 are not distributable in entirety.

11 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current		
Other payables (including for capital goods and services) [Refer Note 24 for details due to micro , small and medium enterprises]	3,741.38	364.40
Earnest money deposit	0.50	-
Total Current Other Financial Liabilities	**3,741.88**	**364.40**

GSPL INDL. TRANSCO LIMITED GANDHINAGAR GITL

B. P. BANG & CO. CA AHMEDABAD CHARTERED ACCOUNTANTS

12 NET EMPLOYEE BENEFIT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Non-Current		
Provision for gratuity	88.48	55.95
Provision for leave salary	106.77	74.99
Total Non-Current Net Employee Benefit Liabilities	**195.25**	**130.94**
Current		
Provision for gratuity	2.20	0.24
Provision for leave travel allowance	7.70	6.34
Provision for superannuation benefits	44.07	28.98
Provision for leave salary	4.46	3.16
Total Current Net Employee Benefit Liabilities	**58.43**	**38.72**

13 INCOME TAX EXPENSES

This note provides an analysis of the Company's income tax expenses show amounts that are directly recognised in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(₹ in Lacs)

Particulars	2017-18	2016-17
Current Tax Expenses		
Current tax	77.37	50.80
Deferred tax	(10.84)	(5.47)
Total Current Tax Expenses	**66.53**	**45.33**

Deferred tax assets (net) relates to the following: (₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities		
Total Deferred Tax Liabilities (A)	-	-
Deferred Tax Assets		
Preliminary expenditure u/s 35AD	2.01	2.01
Deferred tax	20.91	10.07
Total Deferred Tax Assets (B)	**22.92**	**12.08**
Net Deferred Tax Assets (B-A)	**22.92**	**12.08**

GSPL INDIA TRANSCO LIMITED GANDHINAGAR

B. P. BANG & CO. AHMEDABAD CHARTERED ACCOUNTANTS

(i) Movements in Deferred Tax Liabilities (net)

(₹ in Lacs)

Particulars	Other Expenses	Preliminary expenditure u/s 35AD	Total
At 1 April 2016	**4.60**	**2.01**	**6.61**
Charged/(credited)			
- to profit or loss	5.47	-	**5.47**
- to other comprehensive income	-	-	-
At 31 March 2017	**10.07**	**2.01**	**12.08**
Charged/(credited)			
- to profit or loss	10.84	-	**10.84**
- to other comprehensive income	-	-	-
At 31 March 2018	**20.91**	**2.01**	**22.92**

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

(₹ in Lacs)

Particulars	2017-18	2016-17
Accounting Profit before income tax expenses	201.23	137.10
Tax at the Indian tax rate of 33.063% (2017-18 - 33.063%)	**66.53**	**45.33**
Tax effect of amounts which are not deductible(taxable) in calculating taxable	-	-
Adjustments for the current tax of prior periods	-	-
Income Tax Expenses at the effective income tax rate of 33.063% (2017-18: 33.063%)	**66.53**	**45.33**

14 OTHER NON-FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current		
Other Statutory Liability	105.20	26.27
Total Current Non-Financial Liabilities	**105.20**	**26.27**

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15 OTHER INCOME

(₹ in Lacs)

Particulars	2017-18	2016-17
Interest income		
Interest on Fixed deposits with banks	225.23	147.48
Interest Income - House Building Advance	8.77	5.64
Others	-	0.54
Total Other Income	**234.00**	**153.66**

16 OTHER EXPENSES

(₹ in Lacs)

Particulars	2017-18	2016-17
Director Sitting Fees	1.83	2.58
Statutory Audit Fees	1.51	1.52
Rates & Taxes	0.10	0.21
Legal & Professional Expenses	28.00	7.18
Other Expenses	0.30	2.16
Web Site Maintainance	0.21	0.00
Travelling Expenses - Directors	0.82	2.91
Total Other Expenses	**32.77**	**16.56**

17 EARNING PER SHARE

(₹ in Lacs)

Particulars	2017-18	2016-17
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	134.70	91.77
Adjusted for the effect of dilution	134.70	91.77
Weighted average number of Equity Shares for:		
Basic EPS	289,216,438	190,424,658
Adjusted for the effect of dilution	289,216,438	190,424,658
Earnings Per Share (₹):		
Basic	0.05	0.05
Diluted	0.05	0.05

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18 CONTINGENT LIABILITIES (₹ in Lacs)

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
A	**Claims against company not acknowledged as debts**		
	PNGRB has encashed the Performance Bank Guarantee amounting to ₹ 500 Lacs. The Company has challenged the same in Delhi High Court. As the matter is sub-judice at Delhi High Court, payment of ₹ 500 Lacs has been disclosed as "Payment Under Protest".	500.00	500.00
B	**Guarantees excluding financial guarantees**		
	Outstanding Bank Guarantees	2,072.10	2,583.62

19 COMMITMENTS (₹ in Lacs)

Sr No	Particulars	As at 31st March, 2018	As at 31st March, 2017
A	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	5,925.19	7,188.31
B	**Other Commitments**		-

20 PAYMENT TO AUDITORS (₹ in Lacs)

Particulars	2017-18	2016-17
For statutory audit	1.51	1.51
For other services	0.50	-
For reimbursement of expenses	0.15	0.15
Total	**2.16**	**1.66**

21 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.

22 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.

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

24 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:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Principal amount remaining unpaid	380.60	198.57
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.

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25 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	2017-18		2016-17	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Mortality	Indian Assured Lives Mortality (2006-08) Ult.		Indian Assured Lives Mortality (2006-08) Ult.	
Withdrawal rate	5% at younger age reducing to 1% at old age		5% at younger age reducing to 1% at old age	
Retirement Age	60 years		60 years	
Discount Rate Current Period	7.65%	7.65%	7.40%	7.40%
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".

(₹ in Lacs)

Particulars	2017-18		2016-17	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Table showing change in benefit obligation				
Opening defined benefit obligation	56.18	78.15	31.49	53.58
Interest Cost	4.15	5.67	2.55	4.24
Transfer in obligations	10.69	-	-	-
Past service costs	5.83	-	-	-
Current Service Cost	18.54	9.57	13.49	12.86
Benefit Paid	(3.29)	(4.10)	(1.06)	(6.45)
Actuarial Loss / (gain) on Obligations	(1.42)	21.94	9.71	13.92
Liability at the end of the period	**90.68**	**111.23**	**56.18**	**78.15**
Table showing change in Fair Value of Plan				
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	-	-	-	-

(₹ in Lacs)

Particulars	2017-18		2016-17	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Actual Gain / loss recognized				
Actuarial (gain) / loss on obligations	(1.42)	21.94	9.71	13.92
Actuarial (gain) / loss on Plan Assets	-	-	-	-
Net Actuarial (gain) / loss recognized during	**(1.42)**	**21.94**	**9.71**	**13.92**
Amount recognized in Balance Sheet				
Liability at the end of the period	90.68	111.23	56.18	78.15
Fair Value of Plan Asset at the end of the	-	-	-	-
Net Amount recognized in Balance Sheet	**90.68**	**111.23**	**56.18**	**78.15**
Expense recognized in the statement of profit and loss				
Current Service cost	18.54	9.57	13.49	12.86
Interest cost	4.15	5.67	2.55	4.24
Past service costs	5.83	-	-	
Expected return on Plan Asset	-	-	-	-
Value of remeasurements	-	21.94	-	13.92
Net Expense recognized in P&L	**28.52**	**37.18**	**16.04**	**31.01**
Current liability	2.20	4.46	0.24	3.16
Non-current liability	88.48	106.78	55.94	75.00
Total liability	**90.68**	**111.23**	**56.18**	**78.15**

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	2017-18		2016-17	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	84.09	97.99	52.50	60.26
Salary growth rate (0.5% movement)	95.96	85.95	58.74	52.93

Sensitivity analysis - Leave Salary	2017-18		2016-17	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	103.52	119.79	49.80	57.79
Withdrawal rate (10% movements)	111.58	110.87	-	-
Salary growth rate (0.5% movement)	119.81	103.44	57.82	49.74

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26 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 Cheif Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a once, hence no separate segment needs to be disclosed.

27 RELATED PARTY DISCLOSURES

GSPL India Transco 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 & Nature of Transactions	2017-18	2016-17
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	109.02	97.28
Expenditure Reimbursement Received	122.66	136.98
Purchase of Assets	1.04	-
Rent Expense	55.27	52.42
Investment in Equity Shares by GSPL	9,152.00	2,080.00
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	35.51	42.73
Sitting Fees#	0.42	0.57
Investment in Equity Shares by IOCL	4,576.00	650.00
Bharat Petroleum Corporation Ltd. (entity with joint control of the Company)		
Sitting Fees#	0.18	0.29
Investment in Equity Shares by BPCL	1,936.00	440.00
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Investment in equity shares by HPCL	1,936.00	440.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Expenditure Reimbursement Paid	75.91	11.36
Expenditure Reimbursement Received	-	0.78
Gujarat Gas Limited (other related parties)		
Purchase of Fixed Assets	-	0.67
GSPC Pipavav Power Company Ltd. (other related parties)		
Expenditure Reimbursement Paid	9.29	-
GSPL India Gasnet Limited (other related parties)		
Expenditure Reimbursement Paid	-	0.30
Purchase of Assets	-	0.45
Expenditure Reimbursement Received	-	0.63
Sale of Assets	-	0.38
Key Managerial Personnel		
Sitting Fees#	1.12	2.12

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

Sitting Fees is exclusive of service tax/ GST paid under reverse charge mechanism, wherever applicable.

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(f) **Details of Outstanding Balance with Related Parties:**

(₹ in Lacs)

Name of Related Party	31-Mar-18	31-Mar-17
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Account Receivable	8.04	8.74
Account Payable	19.29	15.87
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	14.59	14.59
Account Payable	6.15	7.53
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	2.00	2.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Account Payable	21.50	5.79
GSPC Pipavav Power Company Ltd. (other related parties)		
Account Payable	8.50	-

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28 FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(₹ in Lacs)

As at 31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised 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	-	-	101.58	101.58	-	101.58	-	101.58
- Current	-	-	25.93	25.93	-	-	-	-
Cash and Cash Equivalents	-	-	2,113.98	2,113.98	-	-	-	-
Other Bank Balances	-	-	2,277.99	2,277.99	-	-	-	-
Other financial assets								
- Non-current	-	-	1,907.22	1,907.22	-	1,907.22	-	1,907.22
- Current	-	-	31.32	31.32	-	-	-	-
Total financial assets	**-**	**-**	**6,458.02**	**6,458.02**	**-**	**2,008.80**	**-**	**2,008.80**
Financial liabilities								
Other financial liabilities								
- Current	-	-	3,741.88	3,741.88	-	-	-	-
Total financial liabilities	**-**	**-**	**3,741.88**	**3,741.88**	**-**	**-**	**-**	**-**

(₹ in Lacs)

As at 31 March 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised 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	-	-	100.29	100.29	-	100.29	-	100.29
- Current	-	-	24.39	24.39	-	-	-	-
Cash and Cash Equivalents	-	-	1,388.15	1,388.15	-	-	-	-
Other Bank Balances	-	-	370.92	370.92	-	-	-	-
Other financial assets								
- Non-current	-	-	1,744.22	1,744.22	-	1,744.22	-	1,744.22
- Current	-	-	18.02	18.02	-	-	-	-
Total financial assets	**-**	**-**	**3,645.99**	**3,645.99**	**-**	**1,844.51**	**-**	**1,844.51**
Financial liabilities								
Other financial liabilities								
- Current	-	-	364.40	364.40	-	-	-	-
Total financial liabilities	**-**	**-**	**364.40**	**364.40**	**-**	**-**	**-**	**-**

Fair value of the financial assets and financial liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs are:

Level I - Quoted prices in active markets for identical assets 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).

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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 ₹ 5,080 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.

(₹ in Lacs)

31-Mar-18		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	3,741.88	3,741.88	3,741.88			
Total	**3,741.88**	3,741.88	3,741.88			

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	364.40	364.40	364.40			
	364.40	364.40	364.40			

(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 is the 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.

29 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 ₹5,080 crore with a consortium of 14 banks with Bank of India as the Lead Bank. However, disbursement of loan is not yet taken by the Company.

30 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.

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

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32 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, company had specified bank notes or other denomination note as defined in the MCA notification G.SR. 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, denominaton wise SBNs and other notes as per the notification is given below :

(Amount in ₹)

Particulars	**SBNs***	**Other denomination notes**	**Total**
Closing cash in hand on November 8 2016	15,500	859	16,359
(+) Permitted receipts	-	25,000	25,000
(+) Permitted payments	-	3,060	3,060
(-) Amount deposited in banks	15,500		15,500
Closing cash in hand on December 30 2016	-	**22,799**	**22,799**

*For the purpose of this clause, the term ' Specified Bank Notes' shall have same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.0 3407(E), dated 8th November, 2016.

As per our report of even date attached

For and on behalf of the Board of Directors,

For B.P.Bang & Co.
Chartered Accountants
Firm Registration No. 010621C

Pratap Ram
Partner
Membership No.142935
Place: Gandhinagar
Date: 14-May-2018

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

N. Bose Babu
CEO & Director
DIN: 03617497

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 14-May-2018