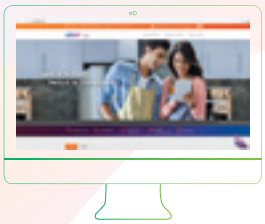
Adani Gas Limited
Annual Report 2019-20

adani
Gas

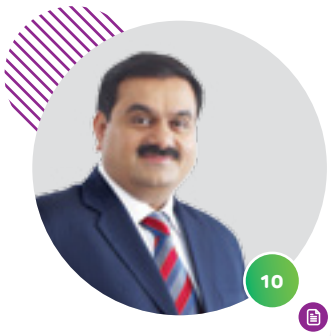
Committed.
Integrated. Agile.

The cover design illustrates simply how Adani Gas is touching lives of Indians everyday. Our portfolio of green energy is present across domestic, industrial, commercial and transportation sector, thereby promoting use of clean energy.

Scan this code with a QR reader app on your smartphone or tablet and know more about us



www.adanigas.com



"We continue to draw inspiration from our vision 'Growth with Goodness', to be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation."

Gautam S. Adani
Chairman

"TOTAL Group, a global energy major, deepening its strategic alliance with Adani Group, by investing in Adani Gas and demonstrating its resilience by delivering credible results and performance along with the launch of several 'Digital Initiatives' by Adani Gas has been the most admirable accomplishments of the year."

Suresh P Manglani
Chief Executive Officer

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To create a unique identity, one must not only stay true to values, convictions and ethics, but also remain committed – a commitment to always keep an eye on goals, a commitment to set the benchmark for others to benefit and a commitment to continue to deliver one's best performance against all uncertainties.

As a rapidly growing utility company, Adani Gas has created a niche for itself in the City Gas Distribution (CGD) space. And with a growing demand for clean and sustainable energy in India, Adani Gas is committed to stay ahead of the curve with its digitised, innovative and environment friendly solutions.

Our vision to be an integrated, smart and technologically driven company motivates us to adapt to changing times while adopting methods that reinforce our commitment to set new benchmarks. With an unswerving focus on achieving excellence, ensuring precision and enhancing connectivity, we are taking strides to ramp up capacity and embrace technology to promise agility in our operations.

Armed with the wherewithal to encourage the spread and reach of clean fuel further, Adani Gas remains committed to be an integrated player, streamlining its smart CGD approach to boost operational excellence and offer exponential improvements in customer experiences and provide multifuel experience to its customers.

As we map our trajectory for the future, we continue to be guided by our vision, to remain Committed, Integrated & Agile – to harness cleaner and greener resources.

Adani Group at a Glance

Adani Group, is a diversified organisation in India with combined market cap of $21 Bn comprising 6 publicly traded companies.

It has created world class transport and utility infrastructure portfolio with a pan-India presence. Adani Group is headquartered in Ahmedabad, in the state of Gujarat, India. Over the years, Adani Group has positioned itself to be the market leader in its transport logistics and energy utility portfolio businesses focussing on large scale infrastructure development in India with O & M practices benchmarked to global standards. With four IG rated businesses it is the only Infrastructure Investment Grade issuer in India.

Adani owes its success and leadership position to its core philosophy of 'Nation Building' driven by 'Growth with Goodness' - a guiding principle for sustainable growth. Adani is committed to increase its ESG footprint by realigning its businesses with emphasis on climate protection and increasing community outreach through its CSR program based on the principles of sustainability, diversity and shared values.

Vision

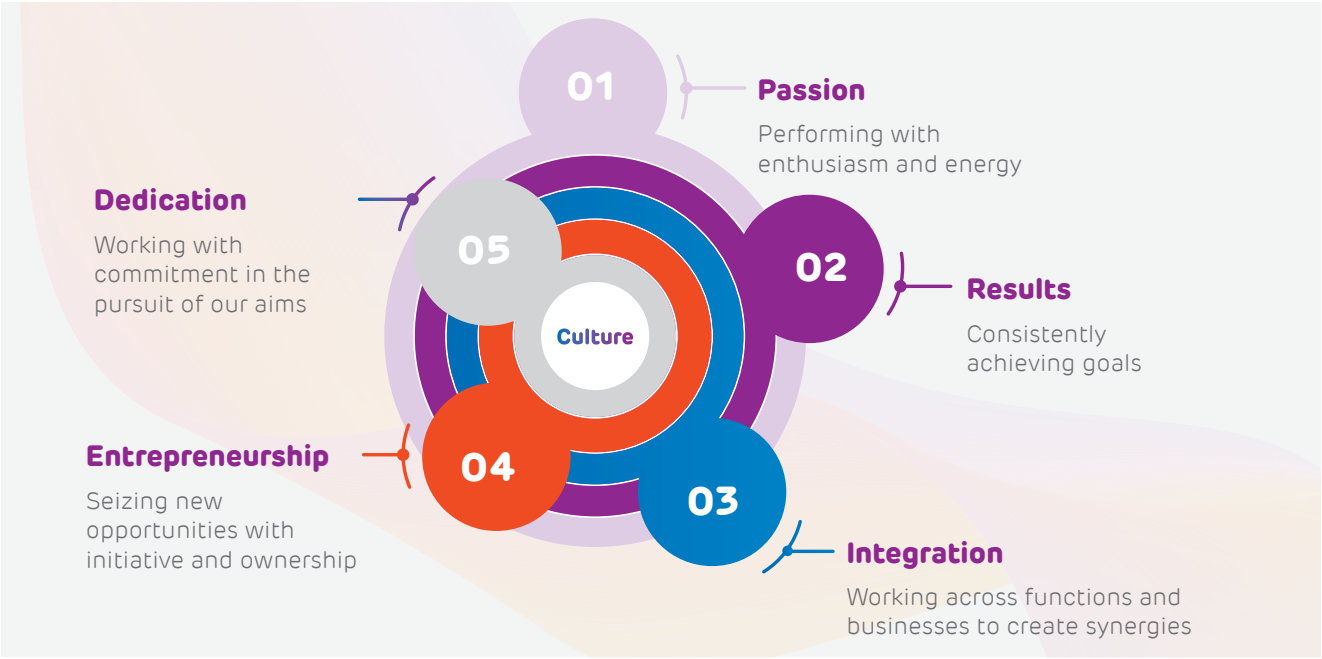
To be a world class leader in businesses that enrich lives and contribute to nation building through sustainable value creation.

Values

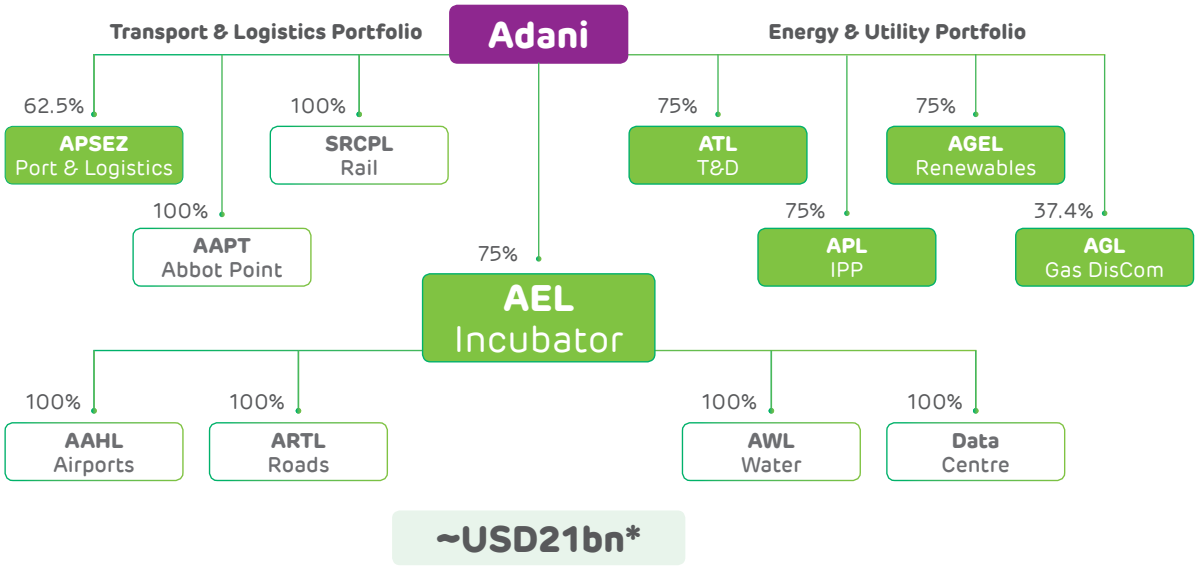
Courage
We shall embrace new ideas and businesses

Trust
We shall believe in our employees and other stakeholders

Commitment
We shall stand by our promises and adhere to high standards of business



Adani Group – A world class infrastructure & utility portfolio



- Green colour represents public traded listed vertical | Percentages denote promoter holding
- * As on 31st March, 2020, USD/INR = 75.665

- Persistent, robust and proven businesses to deliver consistent RoE
- Proven execution capabilities and track record
- Operational Excellence with beaut productivity, low-cost operations and high margins – among the best in the world
- Strategic transference from B2B to B2C business, across key businesses
- Deep Management Experience in regulated environments
- Only Indian infrastructure portfolio with four Investment Grade (IG) issuers

TOTAL Group at a Glance

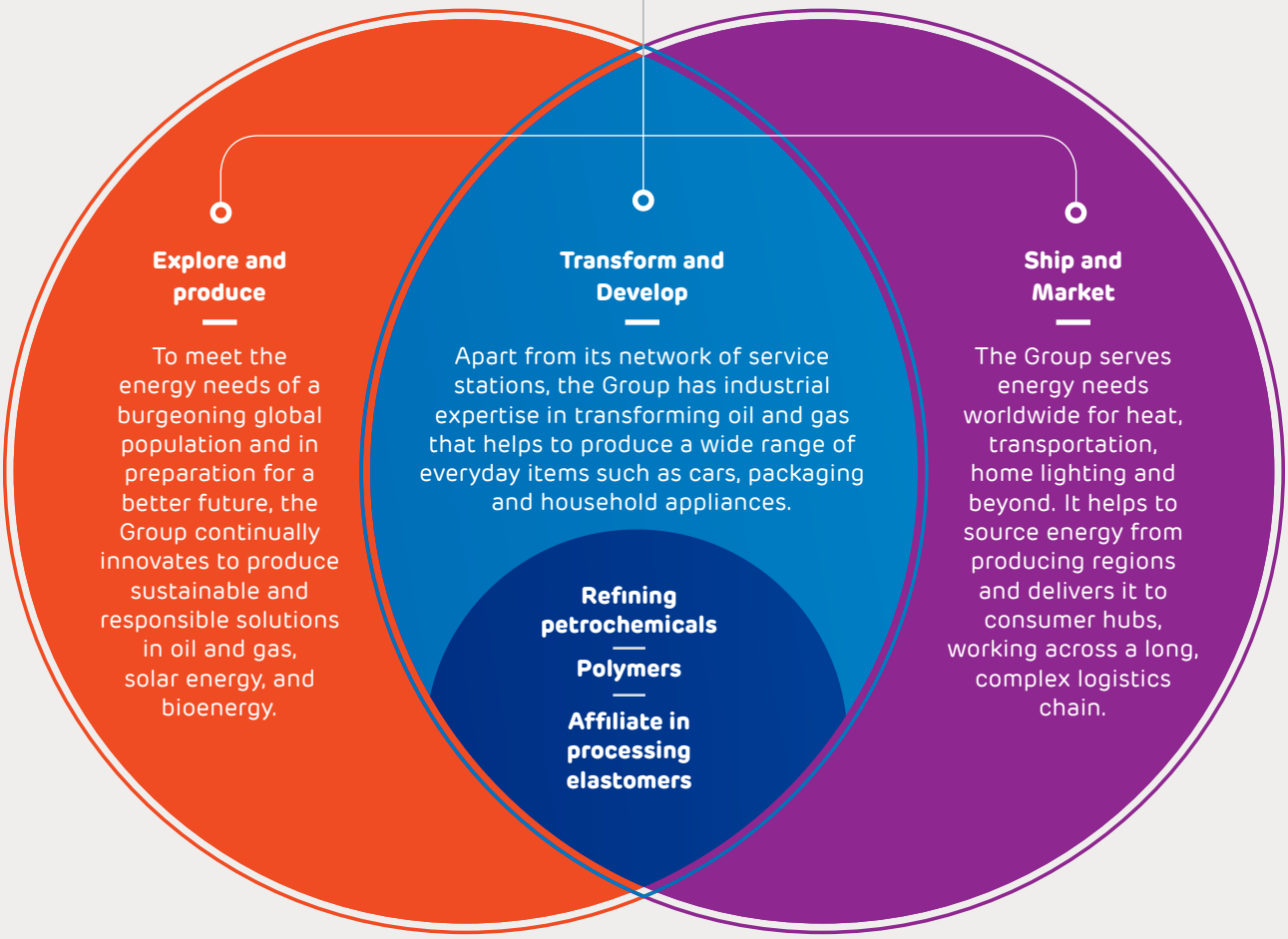
Towards a Responsible Energy Major

TOTAL is a broad energy Group, which produces and markets fuels, natural gas and low-carbon electricity.

Its 100,000 employees are committed to better energy that is safer, more affordable, cleaner and accessible to as many people as possible. Active in more than 130 countries, TOTAL's ambition is to become the responsible energy major.

TOTAL Group's Business overview

The Group is committed to provide better energy while relying on cutting-edge solutions, spanning across the entire energy chain. Its global vision and interdisciplinary expertise allows the Group to work towards building a responsible energy major.



About Adani Gas

Adani Gas is one of India's leading private players

in developing City Gas Distribution (CGD) Networks to supply Piped Natural Gas (PNG) to Industrial, Commercial, Domestic (residential) customers and Compressed Natural Gas (CNG) to the transport sector. Natural Gas is a convenient, reliable and environment friendly fuel that allows consumers to enjoy a high level of safety, convenience and economic efficiency. The Company has commenced CGD operations in the Authorized GAs of the State of Gujarat, Rajasthan, Haryana and Utter Pradesh, aiming to grow sustainable business in the years to come.

Core Propositions

- Safety First
- Reliable
- Socially Responsible
- Smart

115
CNG stations

582 mmscm
Total sales volume

390+
Employees

₹ 3.97
Earnings per share

14,803
Net Worth (₹ in million)

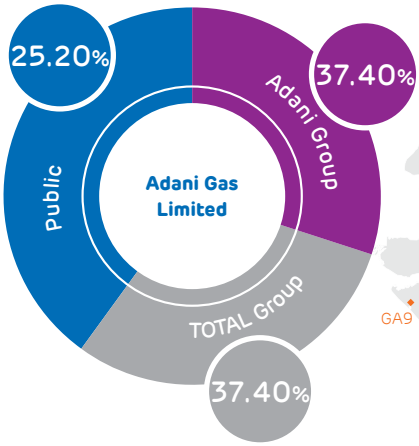
95,023
Market Capitalisation as on 31st March, 2020 (₹ in million)

Decoding our Business Model

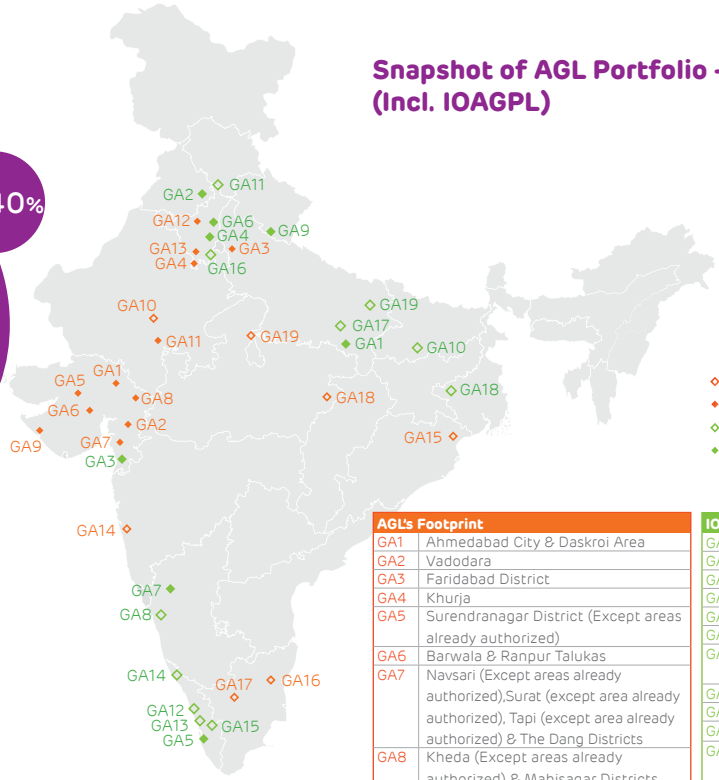
As energy demand continues to grow,

the need for energy that is safe, affordable and environment-friendly is gaining prominence. We, at Adani Gas, have strengthened our portfolio to build an integrated business model to deliver long-term value for our stakeholders.

Our Company Structure



Snapshot of AGL Portfolio -38 GAs (Incl. IOAGPL)



- AGL
- AGL Operational GA
- IOAGPL
- IOAGPL Operational GA

AGL's Footprint	
GA1	Ahmedabad City & Daskroi Area
GA2	Vadodara
GA3	Faridabad District
GA4	Khurja
GA5	Surendranagar District (Except areas already authorized)
GA6	Barwala & Ranpur Talukas
GA7	Navsari (Except areas already authorized),Surat (except area already authorized), Tapi (except area already authorized) & The Dang Districts
GA8	Kheda (Except areas already authorized) & Mahisagar Districts
GA9	Porbandar District
GA10	Bhilwara & Bundi Districts
GA11	Chittorgarh (Other than Rawatbhata) & Udaipur Districts
GA12	Bhiwani, Charkhi Dadri & Mahendragarh Districts
GA13	Nuh & Palwal Districts
GA14	Udupi District
GA15	Balasore, Bhadrak & Mayurbhanj Districts
GA16	Cuddalore, Nagapatinam & Tiruvarur Districts
GA17	Tiruppur District
GA18	Anuppur, Bilaspur and Korba Districts
GA19	Jhansi (Except area already authorized) Distrcit, Bhind, Jalaun,Lalitpur and Datia Distrcits

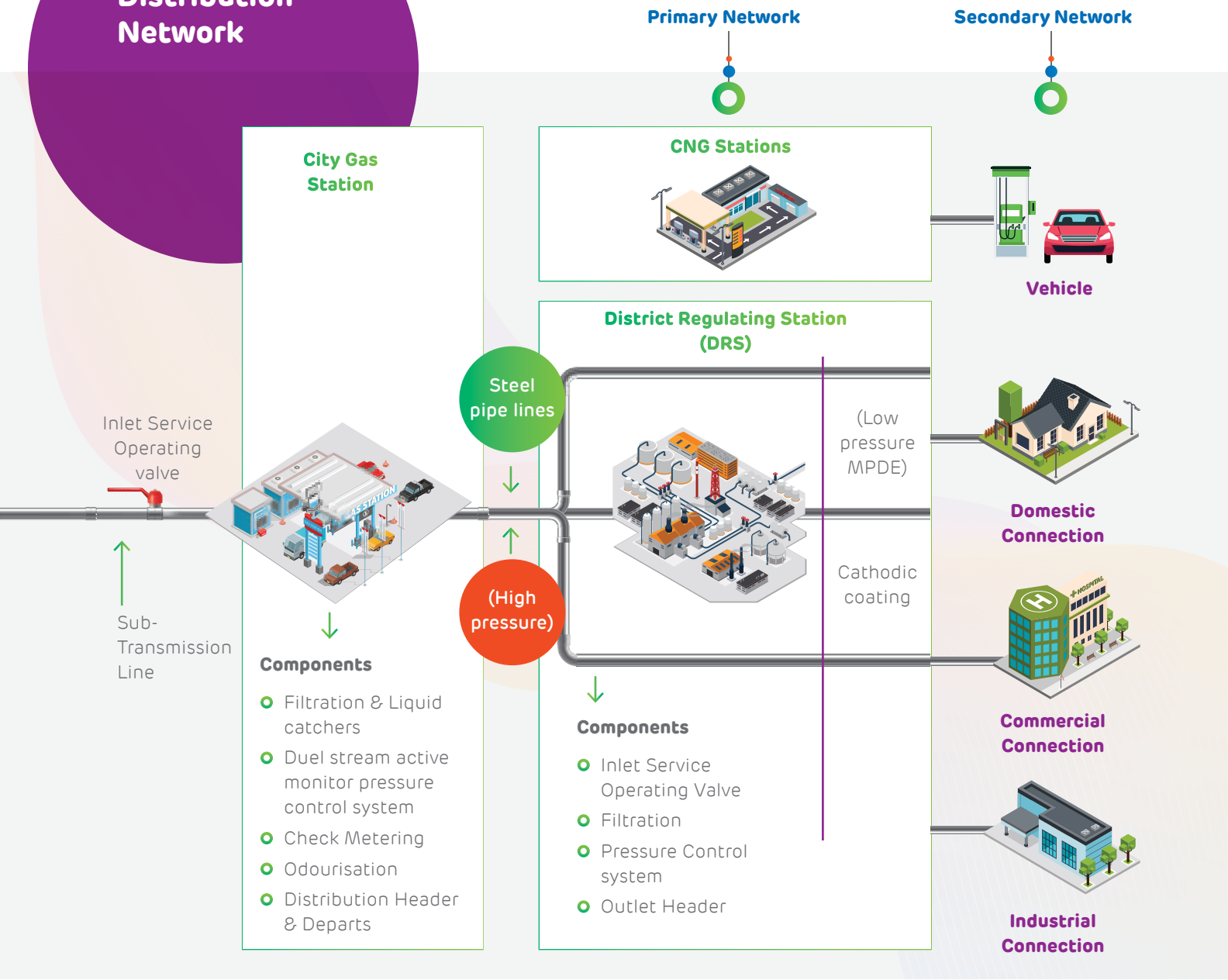
IOAGPL's Footprint	
GA1	Allahabad
GA2	Chandigarh
GA3	UT of Daman
GA4	Bulandshahr Part District
GA5	Ernakulam District (Kerala)
GA6	Panipat District (Haryana)
GA7	Dharwad District (Karnataka)
GA8	South Goa District
GA9	Udham Singh Nagar District
GA10	Gaya & Nalanda Districts
GA11	Panchkula (Except areas already authorized) Sirmaur, Shimla & Solan Districts
GA12	Kozhikode & Wayanad Districts
GA13	Malappuram District
GA14	Kannur, Kasaragod & Mahe Districts
GA15	Palakkad & Thrissur Districts
GA16	Bulandshahr (Except areas already authorized), Aligarh & Hathras Districts
GA17	Allahabad (Except areas already authorized) Bhadohi & Kaushambi Districts
GA18	Burdwan District
GA19	Jaunpur and Ghazipur Distrcits

AGL 19 GAs + IOAGPL 19 GAs = 38 GAs

IOAG

Indian Oil-Adani Gas Private Limited (IOAGPL) – a 50:50 joint venture between Adani Gas Limited and Indian Oil Corporation Limited was entered in 2013-14 to capitalise on growing opportunities in natural gas demand, leveraging each other's infrastructure and domain expertise. Indian Oil Corporation Limited's operational track record, existing infrastructure terminal for LNG imports and expansive retail outlets is complimented by CGD experience of Adani Gas Limited.

Distribution Network



115
CNG Stations

+7,600
Piped Network (Includes 470 KM of Steel Piped Network)

71 districts and large towns (AGL + IOAGPL)
Cities of presence

7,650
Capex in last three years (₹ in million)

100%
Automated supervision of the entire CGD network through SCADA

Chairman's Message

"I am extremely happy and proud to welcome TOTAL Group on Board and create one of India's largest Downstream Energy Partnerships."

Dear Shareholders,

The Webster definition of resilience is "the capability of a strained body to recover its size and shape after deformation caused especially by compressive stress". It's hard to believe that it was less than 3 months ago, on 11th March 2020 that the World Health Organization declared the outbreak of COVID-19 as a pandemic, meaning COVID-19 has spread worldwide. If there ever has been a time when the need for global resilience has been critical, it is now.

The Power to Overcome

At times like this one looks for inspiration. In this context Wayne Muller, a well-known author, writes that for thousands of years humankind has suffered famine, war, plague, hunger, and countless injustices; it has experienced numberless births and deaths. Each community of people has had to find some way to speak about what sustained them or brought them grace—even in the midst of terrible sorrow. We have struggled to name this human trait, the universal force that makes the grass improbably push its way through concrete, the force that turns the earth, the energy that we seem to possess and blesses all life, the essential presence in our deepest nature that can never be spoken of with perfect accuracy but yet make us what we are. History is one big story of human overcoming. It's what we are born to do.

Decisive Governance

What we must realize is that there are no absolute right or wrong ideas. What is required during an unprecedented, hard to model, crisis like Covid-19, is a Government that is willing to make decisions based on best available information at a given point of time and constantly adapting as new information becomes available. For this, the Indian Government and bureaucracy must be complimented. Countries with greater resources than ours have struggled and while our battle with the virus is far from over, I have no hesitation in stating that had the decisions that got made been delayed we could have been facing an unmitigated disaster that would not just impact India but have global ramifications. Yes, business has suffered immensely, lives and jobs have been lost, and the migrant worker crisis saddened the entire nation, but the consequences of the unknown alternates would be far grimmer. What the leaders of our nation, the doctors, the healthcare workers, the police, the army, the small street side vendors, and the citizens have done to support each other is truly what defines India and its resiliency. Add to this the fact that the Government is are now able to do direct benefits transfer as a result of the integrated approach it has built through the Jan Dhan, Aadhaar and Mobile linking systems and we start seeing the benefits of a Government that had the vision to put in place the infrastructure we need to be able to handle a crisis.

The Possibilities

Sitting where we are today, I can say that history is in process of being scripted. I will be the first to admit that I have no way of predicting the short or mid-term possible economic outcomes as a result of Covid-19. However, there cannot be any denying the fact that India over the next several decades will be a market continuously on the up and one that simply cannot be ignored. It will be one of the world's top consumption centers, manufacturing and service hubs and a beacon of stable democratic governance. If there was a time to make a bet on India, there may not be a better time than now. What I can predict is that on the other side of this crisis will emerge massive new opportunities, will emerge great new leaders, will emerge terrific businesses, and will emerge a few stronger nations. Those that succeed will be the ones that understand that resilience is built on the other side of the tunnel of crisis and we are already getting ready for this.

Resilient Group Performance

I am pleased to report that each one of Adani Group six publicly traded companies has performed well even as we started to confront the trying circumstances following the first few weeks of 2020. While we may have to do need-based course correction in our strategies in the wake of the challenge that we are facing, the roadmap remains clear. Our businesses are closely aligned to the lifeline of the economy, providing essential services to enhance the quality of life of citizens and addressing critical national infrastructure priorities.

Any shock to a system always helps drive home some key points and what the Indian businesses have learnt over the past few years and most certainly post Covid-19 is the value of an optimal and perhaps for some sectors a conservative capital structure as well as the criticality to have systematic risk mitigation plans in place. Both optimal capital structures, and risk mitigation is a part of the maturing of the business philosophies as they grow in size and lays the foundation for stability as well as consistent value creation.

At Adani Group level, focus is on optimising capital utilisation, redesigning the organisational structure to minimise risk in our businesses and funding operations in phases. I am happy to share that during the year, the Group has been able to bring strategic global equity partners in Adani Gas, Adani Green Energy Ltd and Adani Mumbai Electricity Ltd. The total

₹100 crore
Contributed to the PM CARES Fund

Chairman's Message (contd..)

investment is USD 1.6 bn; and will help drive future growth of our businesses. It is also pertinent to mention that AEML (part of Adani Transmission) recently completed an investment grade, USD 1 billion bond issuance, the first by a private integrated utility from India. The issue generated significant interest from international investors and was oversubscribed by 5.9 times. I must also mention here that APSEZ raised $750 million by selling overseas bonds, the proceeds from which would be used for fund expansion and further reduce the cost of debt and progressively further deleverage the balance sheet. In the preceding 12 months, the Group has successfully placed seven bonds in the international markets, totalling to 4.26 bn USD.

The Future is a Gas Based Economy

At present, natural gas accounts for just about 6% in the total energy mix of the country, due to its low per capita consumption. To increase its relative share, the government has set an ambitious target of increasing the share of natural gas in the total energy mix to 15% by 2030. Moreover, with favourable government policies and reforms, the per capita consumption of natural gas is expected to also rise. Simultaneously, the population of India is expected to grow to 1.44 billion by 2024 thereby transcending into yet increased demand for energy. The rising energy consumption is expected to result in an alteration of the primary energy mix, with growing preference of gas energy over oil energy. Since, natural gas is one of the most reliable fuels available, there is a growing preference for natural gas for its convenience, safety and cost-effective properties. Therefore, in line with the Government's policy as well as the massive market potential we are committed to contribute to the nation's vision of providing a cleaner and greener energy.

Alliance

As the largest private player in city gas distribution, we closed FY 2019-20 with some major achievements. With great pride and delight, I would like to share that TOTAL Holdings SAS has joined Adani Gas to create one of India's largest Downstream Energy Partnerships, to develop and deliver multi-energy offerings to the Indian market. It is also the largest foreign direct investment in India's city gas distribution sector. Laying the foundation for long-term business synergies, the strategic partnership reinforces AGL's market leadership and entrusts confidence in its abilities to deliver superior returns for its stakeholders. The partnership also reinstates our commitment to make rapid strides towards India's vision of promoting reliance on natural gas and a clean energy mix.

Both partners, Adani Group and TOTAL Group are committed to strengthen this important partnership. We further aim to exponentially increase the network of piped natural gas and CNG by reaching to 70% of India's population. This is in line with the nation's energy policy which rightfully promotes usage of clean, green fuel to infuse growth.

Adani Group and TOTAL Group plan together to foray into the fuel retail business with an initial target of setting up 1500 fuel stations and offering top of the line products over the coming 10 years. We aim to be recognised as the most trusted, customer centric and preferred fuel retail brand integrated along with the gas business.

Despite being a year marked by escalating global trade tensions and a tough operating environment, AGL recorded its best performance – a testament to its resilient business model. I am pleased to inform you that we now have over 100 CNG stations across the country. This achievement is the result of tireless efforts of the entire team,

We now have
115
CNG stations across the country

82
CNG stations in the previous year

who continue to deliver on the strategies mapped for long-term business growth.

We also recorded high peak volumes in our sales & distribution, with a total of 582 MMSCM, which is about 8% jump from the previous year. Further, we now have the license to operate in 38 geographical areas, which covers 8% of the country's population. The work on the required infrastructure at major locations was started in this financial year with substantial progress being made during the fiscal. We are working closely with the local authorities and discussing ways to fast track the progress of the projects, so that the benefit of natural gas is brought quickly to maximum number of customers. I take this opportunity to thank each employee who continued to serve our customers during the difficult times of the pandemic. At AGL, we took utmost safety measures of these frontline employees, whose commitment and tenacity helped our customers with the supply of energy.

Growth with Goodness

We, at the Adani Parivar, are fighting the Covid-19 battle unitedly. Our Foundation has contributed ₹ 100 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) of which your company has contributed ₹ 5 crore. I am equally grateful to our workforce in India for contributing ₹ 4 crore for the battle against COVID-19. It is because of the solidarity demonstrated by this workforce of over 17,000 people that our Foundation could add another ₹ 4 crore, collectively contributing another ₹ 8 crore towards COVID-19 relief projects in India. As a responsible corporate, we will continue to stand by the nation in various capacities in this hour of need. On that note, I must also take this opportunity to thank our teams for the following measures:

- Adani Foundation contributed ₹ 5 crore to the Gujarat CM-Relief Fund and ₹ 1 crore to the Maharashtra CM Relief Fund; we have also contributed to Kattupalli District Collector COVID-19 Fund and the Bhadra District Administration.
- The Foundation is also contributing to the CM-Relief Funds of many other states such as Kerala, Jharkhand, Andhra Pradesh.
- Women cooperatives aided by Adani Saksham produced more than 1.2 lakh masks to help economically disadvantaged sections of the population.
- Gujarat Adani Institute of Medical Sciences (GAIMS) is the only hospital equipped for handling COVID-19 cases in Kutch, India's largest district.

In times such as this the spirit and compassion of our people reinstates my belief in our core philosophy of Growth with Goodness. Let all of us contribute to help our nation rise above this crisis. It may take time but there is ample optimism to show that it is possible.

Together, we will stay resilient and hopeful in these testing times.

Regards,

Gautam S. Adani
Chairman

CEO's Message

> AGL is a leading private company in the city gas distribution sector, marching ahead to build a sustainable environment, underpinned by its competitive and integrated business model.

Dear Shareholders,

AGL's roadmap to the future is centered around building an integrated energy organization that helps contribute towards building a sustainable environment for all. If the country wants to achieve its goal of reducing carbon emissions by 33%, by 2030, as committed by our Hon'ble Prime Minister in COP21 Paris Convention, it needs to seriously direct its efforts to increase the use of green energy. Natural gas is among the preferred energy resources that can help us achieve the targets of the Paris-agreement. Its affordability, safety, eco-friendly nature, convenience and multifold usage as an alternative and reliable energy resource to liquid fossil-fuels, makes it a dependable resource for a better tomorrow.

AGL is a leading private company in the city gas distribution sector, marching ahead to build a sustainable environment, underpinned by its competitive and integrated business model. Several regulatory enablers duly responded to in widespread response to 9th and 10th rounds of PNGRB CGD bidding have increased the focus on the sector. These two bidding rounds brought a larger part of the population near natural gas network. From a mere 3% of area coverage in 2009, the city gas distribution network is expected to cover 53% of the country's area, post execution of projects in the 9th and 10th CGD bidding rounds.

AGL - at the forefront

We believe India stands at the cusp of an energy transition, with consistent increase in consumption of natural gas. AGL remains at the forefront of this transition, positioned to capitalize the emerging opportunities, backed by several encouraging reforms and regulations. The infusion by TOTAL Group for 37.4% equity stake in AGL, marked the largest foreign direct investment in India's city gas distribution sector. The capital infusion by TOTAL Group brings on board long-term business synergies to strengthen our value-creation philosophy. First, the investments would be largely directed towards strengthening the infrastructure

across the value chain, namely, CGD network and fuel retail outlets. Second, access to global LNG portfolio to AGL bringing benefits of most competitive gas sourcing, further this smoothens our supply chain, to meet the increasing demand from the end-users. Third, an investment by the world's second largest LNG producer in our business model, not only reinforces India's growing natural gas demand, but also validates our growing market leadership in the industry space.

Delivering outperformance

The year FY 2019-20 again represented a milestone year in terms of our operational and financial performance. On the operational front, we increased the volume sales of CNG by 5% to 291.6 MMSCM, PNG by 10% to 290.6 MMSCM and total volume by 8% to 582.2 MMSCM. We consolidated our market presence in Ahmedabad, Faridabad and Khurja, serving an expanding customer base across business verticals.

We increased our CNG stations from 82 to 115 by the end of the year. This was achieved through a mix of dealer and co-located operated networks, with the setting up of greenfield stations. We are stepping up the pace to set up this ecosystem, thereby facilitating a wider reach, increasing beneficiaries and providing a holistic CGD network across our operations.

In PNG, we expanded our domestic customer base to 0.44 million, industrial customer base to 1,480 and commercial customer base to 2,978. The overall proportion of revenue between PNG and CNG remained at PNG 52% and CNG 48%, augmenting sustained business growth.

These measures cascaded towards delivering an excellent financial performance for the fiscal. We recorded an impressive revenue of ₹1,991 crore in FY 2019-20 as against ₹1,823 crore in the previous year (9% Revenue Growth). Our EBIDTA and PAT stood at ₹639 crore and ₹436 crore respectively, as compared to ₹541 crore and ₹229 crore in the previous fiscal. We stand comfortably on our liquidity and debt portfolio, with a modest debt equity ratio of 0.27, giving us leverage to accelerate our planned network roll-out and increase our market presence.

Safety and security

Safety remains a centrifugal force of our business model, where we regularly update and monitor our entire grid network. Monitoring of our networks 24*7 through SCADA system and Area Emergency offices forms the very basis of our safe and consistent operations. We check for areas of improvement or repair and take immediate action. Our Master Control Rooms monitor all the parameters for operational efficiency and its automatic trip mechanisms ensure control and safety. Our operations and maintenance team on field ensure timely planned maintenance and safety checks at customer premises. In FY 2019-20, we also conducted regular medical check-up camps for drivers, ensuring their well-being and empowering them to meet relevant health and safety standards.

Resilient

Natural gas continues to gain prominence with increasing regulatory intervention to reduce carbon emissions at a national level. Increasing use of CNG in public transport, promoting use of PNG in industrial areas and declaration of CGD infrastructure as a public utility entity is likely to drive its growth. AGL stands to capitalize on these emerging opportunities for a few good reasons.

One, we recognize our technology and innovation as active enablers of growth. Right from sourcing to operations to last-mile connectivity – we have integrated technology in our processes that deliver significant value. Our newly launched My Adani Gas application, SCADA system, Smart Customer care, digital bill payments and spot billing, have only helped to enrich our customer experience and enhance our operational efficiencies.

1,991
We recorded an impressive revenue in FY 2019-20 (₹ in crore)

9% Revenue Growth

1,823
in the previous year (₹ in crore)

CEO's Message (contd..)

> We continue to strengthen our resolve with our increasing efforts through 'Adani Foundation', partnering in the empowerment of the weaker sections of the community, in the fields of Education, Health, Sustainable Livelihood Development and Community Infrastructure.

436
We recorded a splendid PAT in FY 2019-20 (₹ in crore)

90% PAT Growth

229
in the previous year (₹ in crore)

Two, our joint venture IOAGPL with India Oil Corporation Limited strengthens our commitment to expand our presence in pan-India. Post the 9th and 10th CGD bidding round, we now jointly (with the JV) have authorization for 38 GAs and 71 large towns, covering 15 states.

Three, we remain vigilant about our profitability and margins, delivering consistent shareholder return. While we constantly mitigate volatility in commodity prices, as most of our RLNG contracts are spot and short-term agreements; our constant monitoring of the price volatility across value-chain helps us maintain a responsive and competitive selling price. It helps us to deliver consistent margins and growth across key financial matrices.

Value-creation for stakeholders

Our engagement with each stakeholder remains fundamental for our business sustainability. We continue to strengthen our resolve with our increasing efforts through 'Adani Foundation', partnering in the empowerment of the weaker sections of the community, in the fields of Education, Health, Sustainable Livelihood Development and Community Infrastructure. We remain steadfast on building an empowered team of gas professionals across our offices, backed by an engaging work culture that drives each individual to contribute towards organizational goals and their professional development, simultaneously.

While we stand firm on our commitments and promises of value-creation, we are also exposed to volatilities beyond our control. The Covid-19 pandemic has caused significant loss of lives and disruption at the end of financial year. As a company, we remain strong on our values, ethics and vision, driven by our resilient approach to strongly emerge from this calamity. We believe we have the competence, capabilities and management expertise to maintain business continuity and deliver long-term value for our stakeholders.

Regards

Suresh P Manglani
Chief Executive Officer

CFO's Message

> Our consistent and balanced revenue inflow from the CNG & PNG segment have contributed effectively to the year's performance.

Dear Shareholders,

I feel proud and privileged to present the FY 2019-20 performance of your company. Keeping up with the promise of a robust double-digit growth, your company has performed extremely well for the year gone by.

The year, recorded some key financial milestones for your company. While our topline grew by 9% to ₹ 1,991 crore, our EBITDA rose by 18% to ₹ 639 crore, from ₹ 541 crore in the previous year. Our PAT also registered a high growth ending at ₹ 436 crore, from ₹ 229 crore in the previous year.

The financial highlights were a result of sustained efforts of our entire team who focused on delivering performance with execution of planned strategies. Our consistent and balanced revenue inflow from the CNG & PNG segment have contributed effectively to the year's performance. In uncertain times like Covid-19, our equated revenue-model is unique in the industry we operate and provides us with lot of stability.

Innovation remains at bedrock of everything that we will do at AGL during these uncertain times. During the year, we pushed our boundaries of innovation in some key areas. We initiated digitization and adoption of technology to provide our customers a seamless experience.

One of the important milestones in the year was induction of TOTAL Group as a major shareholder of our company. Let me take this opportunity to welcome them on Board and we are confident of building unmatched synergies that will help in creating value in the entire value chain of our business. TOTAL Group's international best practices and policies are going to help AGL to further upgrade its operating processes. We expect TOTAL Group's induction to bring in a lot of efficiencies in our upstream operations and drive margins with enhanced sourcing control.

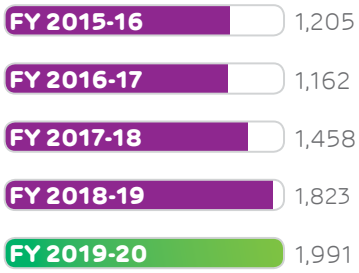
Going forward, the year FY 2020-21 is going to be challenging with uncertainty looming for every industry and organization in the world. However, I see the City Gas Distribution sector at an inflection point in our country and we plan to relentlessly work towards seizing the emerging opportunities. I would like to emphasize here that our resilient business model, diversified across segments will drive profitable growth. I am also confident that given the management expertise and our ability to navigate the challenges, we will ensure we deliver value for our stakeholder community in the coming times.

Parag Parikh
Chief Financial Officer

Financial Highlights

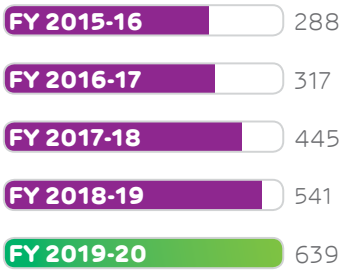
Profit & Loss Metrics

Revenue from operations
(₹ in crore)



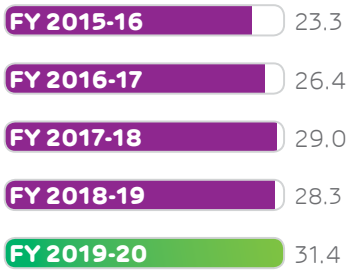
13%
5 year CAGR growth

EBITDA
(₹ in crore)



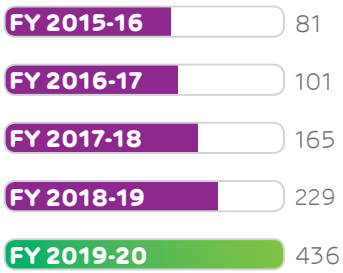
22%
5 year CAGR growth

EBITDA Margin
(in %)



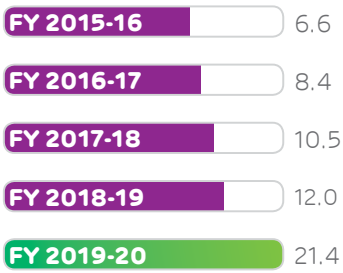
310 bps
Y-o-Y growth

PAT
(₹ in crore)



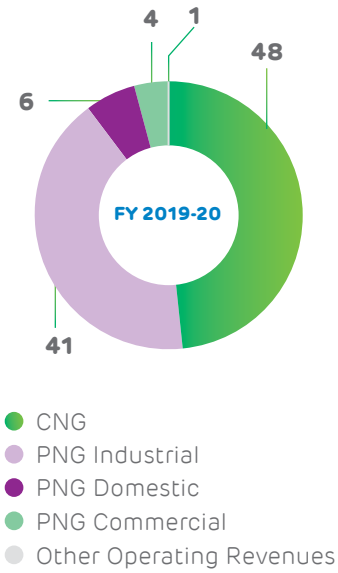
52%
5 year CAGR growth

PAT Margin
(in %)



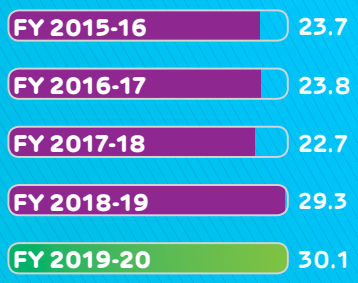
940 bps
Y-o-Y growth

Revenue split by Customer segment (in %)



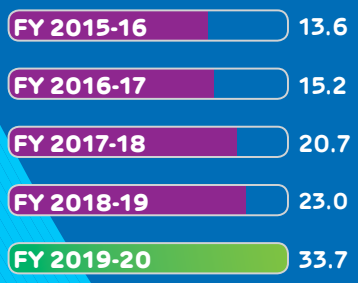
Profit & Loss Metrics

RoCE
(in %)



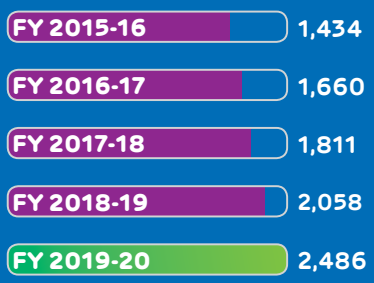
80 bps
Y-o-Y growth

RoNW
(in %)

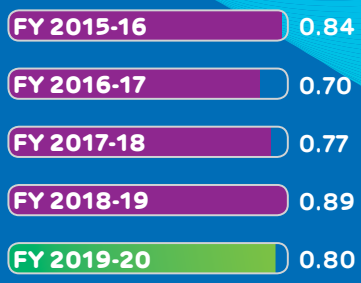


1,070 bps
Y-o-Y growth

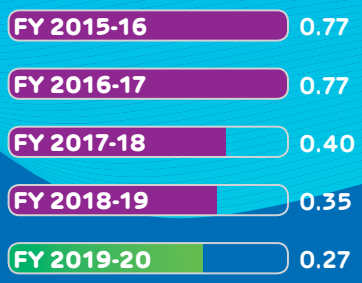
Total Assets
(₹ in crore)



Asset- Turnover Ratio
(in times)



Debt-Equity Ratio
(in times)



Note : Based on Standalone Financials and Like for Like figures

Our Business Segments

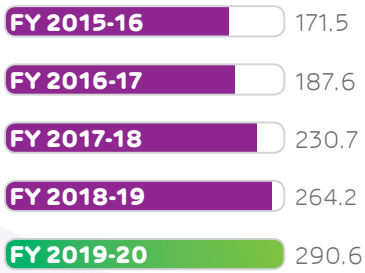
Our CGD network powered by foresight & experience of manpower, futuristic oversight on state-of-the-art technology and service & safety orientation to the core, ensures safe, uninterrupted supply of Natural Gas to our customers.

A well connected and state-of-the-art infrastructure with high and low pressure piped network meet the growing natural gas demands of our expanding customer base.

Residential PNG

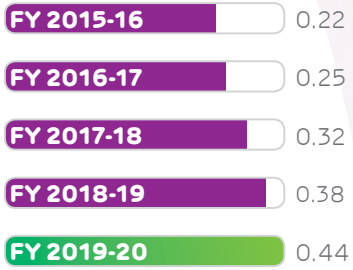
PNG provides the advantage of uninterrupted supply, saves the effort involved in booking a refill or changing cylinders, and helps consumers enjoy more kitchen space. Moreover, PNG ensures safety, without the fear of spillage. Pilferage can be easily avoided with our safe piped network infrastructure and transparency of billing the exact units of usage. Residential PNG is offered to domestic consumers for cooking and heating water in gas geysers.

PNG Sales Volume Growth
(in MMSCM)



10%
Y-o-Y growth PNG Sales Volume

Household covered (in millions)



51.80
Gas supply in FY 2019-20 (in MMSCM)

56,167
New Residential Customers added in FY 2019-20

Highlights, FY 2019-20

AGL is responsible for managing, transporting and selling PNG to more than 0.44 million domestic households across 5 GAs. We continue to engage and grow our customer base with our deep-rooted infrastructural presence and local market understanding. Some of the operational highlights during the year were:

- Added - 56,167 household connections to our existing customer base
- Convenient instalment based payment system for customers
- We have launched My Adani Gas App with better features and add-ons
- Introduced POS payments and expanded the digital payments infrastructure
- Regular safety and health guidelines shared through social media and dedicated customer-channels
- Yearly safety and audit checks for leakages or pilferages conducted at customer sites

Outlook

- New feature of Bill on WhatsApp will be added which will support AGL's go green initiative
- Self-billing by customer which will enable customer to generate their own bill by submitting their meter reading with photo and getting the actual bill on WhatsApp and My Adani Gas application
- Online name transfer form features to be added on our website to enable customer to transfer their connection in their name online.
- Dynamic UPI QR code on bill and UPI link on WhatsApp to boost digital transactions

Our Business Segments (contd..)

Commercial PNG

Commercial PNG is offered to customers operating Hotels, Restaurants, Fast Food Joints, Hospitals and Corporate Offices (including Canteen and Pantries).

2,978

Commercial Customers

Outlook

Going ahead, Digitization of commercial customer registration to move-in process by My Adani Gas app will be streamlined. We are exploring more opportunities in expanding our market presence by identifying sectors like laundry, government segments and street vendor supply (urban chowks). This will be backed by exciting offers to give added comfort to the prospective customers.

Highlights, FY 2019-20

There are increasing laws and regulations to promote the safety and conservation of environment while promoting economic growth. The cost and safety benefits of using PNG at commercial sites is increasingly shifting consumers towards the adoption of natural gas over liquid fossil fuels. Our presence in key markets, with an integrated CGD network, allowed us to penetrate deep into customer pockets and capitalize on opportunities stemming from growing demand from commercial end-users. Some of the operational highlights during the year were:

- Added 520 commercial connections to our existing customer base
- We have launched My Adani Gas App with better features and add-ons
- Introduced POS payments and expanded the digital payments infrastructure
- Regular safety and audit checks conducted at customer sites for leakage or pilferage

Industrial PNG

Industrial PNG is primarily offered to industries that use Boilers, Thermic Fluid Heaters, Direct Fired Dryers, Textile Processing, Heat Treatment, Wire Drawing, Casting and Forging Application, amongst others.

1,480

Industrial Customers

Outlook

For the coming year, we plan to come out with some flexibility programs to support our existing industrial customers and adopt a dynamic marketing strategy to attract new customers in existing and new GAs.

Highlights for FY 2019-20

A successful transition towards eco-friendly energy resources will significantly reduce carbon emissions from industries and manufacturing units. Our network across industrial belts in operating GAs, assuring users an uninterrupted supply of natural gas to decelerate carbonisation and reduce emission across the value-chain. Despite the low growth of Industrial sector primarily due to manufacturing sector which registered a negative growth of 0.2 per cent in 2019-20 H1, we have added 236 new industrial units during the year. We have recorded a robust growth of around 9% in Industry volume compared to previous year. Slowdown in Automobiles & Textile sector was somehow overcome by upswing in Dyes & Chemicals and Engineering sector. However, outbreak of pandemic Covid 19 at fag end of financial year deprived us to end the financial year with better figures. Some of the operational highlights during the year were

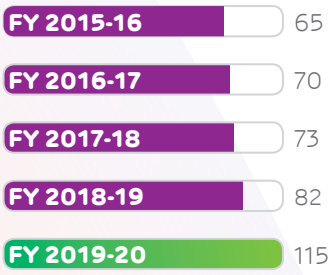
- Added 236 industrial connections to our existing customer base
- We have launched My Adani Gas App with better features and add-ons
- Regular safety and audit checks conducted at customer sites for leakage or pilferage

Our Business Segments (contd..)

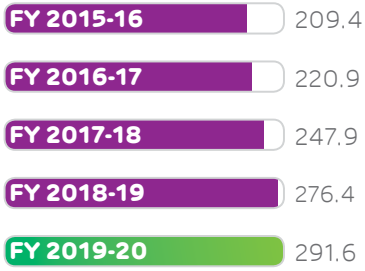
CNG

Compressed Natural Gas (CNG) is a gaseous fuel and is a mixture of hydrocarbons, mainly comprising Methane. It consists of natural gas compressed to pressures of 200-250 Kg/cm² to enhance vehicle on-board storage capacity. As a result, the compressed form of natural gas is used as a fuel for transportation purposes.

Growth in CNG Retail outlets
(No. of Outlets)



CNG Sales Volume Growth
(in MMSCM)



115
CNG Stations

Highlights, FY 2019-20

We continue our resolve to drive towards a low-carbon future. In the last five years, the increasing use of liquid fuels have also increased the threat to our environment. The rise of CNG based-vehicles has emerged as a preferred mode of transport, given the economic and environmental benefits it brings along. We also increased the number of CNG stations during the year and undertook initiatives to widen our market presence.

- 33 New CNG Stations added in FY 2019-20
- Set-up 24x7 emergency help-line
- Upgraded My Adani Gas app with better features and add-ons
- Introduced POS payments and expanded the digital payments infrastructure
- Drivers' health check-up camps organized

Outlook

Post the 9th and 10th round bidding, we have aggressively scaled up our Infrastructure roll-out of CNG stations into the authorized GAs. For the coming year we plan to aggressively reach potential customers by doing various awareness campaign through digital, print, radio, personal mediums.

Digital Transformation

In an era of constant change, going digital is the way forward. We, at Adani Gas, are committed to instil a digital transformation across processes and operations, to enhance customer experiences and ensure ease of access.

Our smart systems are designed to improve efficiency, increase speed and precision, to deliver solutions leveraged upon excellence.

With the advent of technology, we are constantly adapting to new methods to increase our operational efficiency as well as to enhance consumer experiences. Through digitization, we aim to create value added offerings for our customers, strengthen our backend and frontend operations and support our growth strategies.

Further, we also aim to provide easy access to information and offer a host of services at the click of a button. We aspire to make data available at the right place and at the right time to empower customers to make an informed choice and also to create new business opportunities for us.

Adani Delight

Adani Gas Ltd. started its digital journey with project 'Adani Delight'. The project is aimed at digitization of processes across AGL functions. Under the roadmap, AGL has already launched the empowering community to enable students, house-wives, senior citizens to be an ambassador of Adani Gas Ltd. and providing referral prospects. Under Adani Delight, AGL also implemented many other digital projects like digital approvals workflows, digitally signed invoices, purchase orders etc., Expense tracking, Gas balancing dashboard, pricing dashboard, etc. Under Adani Delight, AGL is aimed to automate maximum processes and operations to leverage technology benefits to add up the bottom line.

Key features:

- **Assessment of each department -for all On / Off roll employees**
- **Managing large volume of business with minimum manpower**
- **Business Process Re-engineering**
- **Multi-dimensional growth with less headcount & high efficiency**
- **Bottom up approach to align technology with business needs**

My Adani Gas

With increasing penetration of internet and rising smartphone users, we have launched a mobile application, My Adani Gas in 2019. A digital ecosystem/platform which helps in collaborating with partners, customers, vendors, contractors and employees. My Adani Gas Streamline complete sales process from Inquiry registration to commissioning for domestic, Industrial & Commercial Customers. This enables Field Sales Officer and Third Party Inspector to complete the customer on-boarding digitally. It provides the full digital self-service channel of interaction for customers from service request to account statement. It will provide the platform to collaborate with vendors, acquire new vendors, enable vendors/ contractors for service orders and track progress on service orders & manage their performance. It also enables Dynamic Dashboard for management to showcase performances across KPI's of Inquiries, Customers, Sales, Vendors, Collections etc.

Digital Transformation (contd..)

Key features of the app:

Other technology platforms

Supervisory Control and Data Acquisition (SCADA) system: Adani Gas was the first company in the industry to implement SCADA system in FY 2008-09. It is a state-of-the-art system that enables us to monitor our business operations. Over the years, we have sustained and enhanced our SCADA system across all City Gate Stations, CNG stations, DRS & Cathodic Protection Transformer Rectifier Units. We also plan to include the upcoming geographical areas under the ambit of our SCADA system.

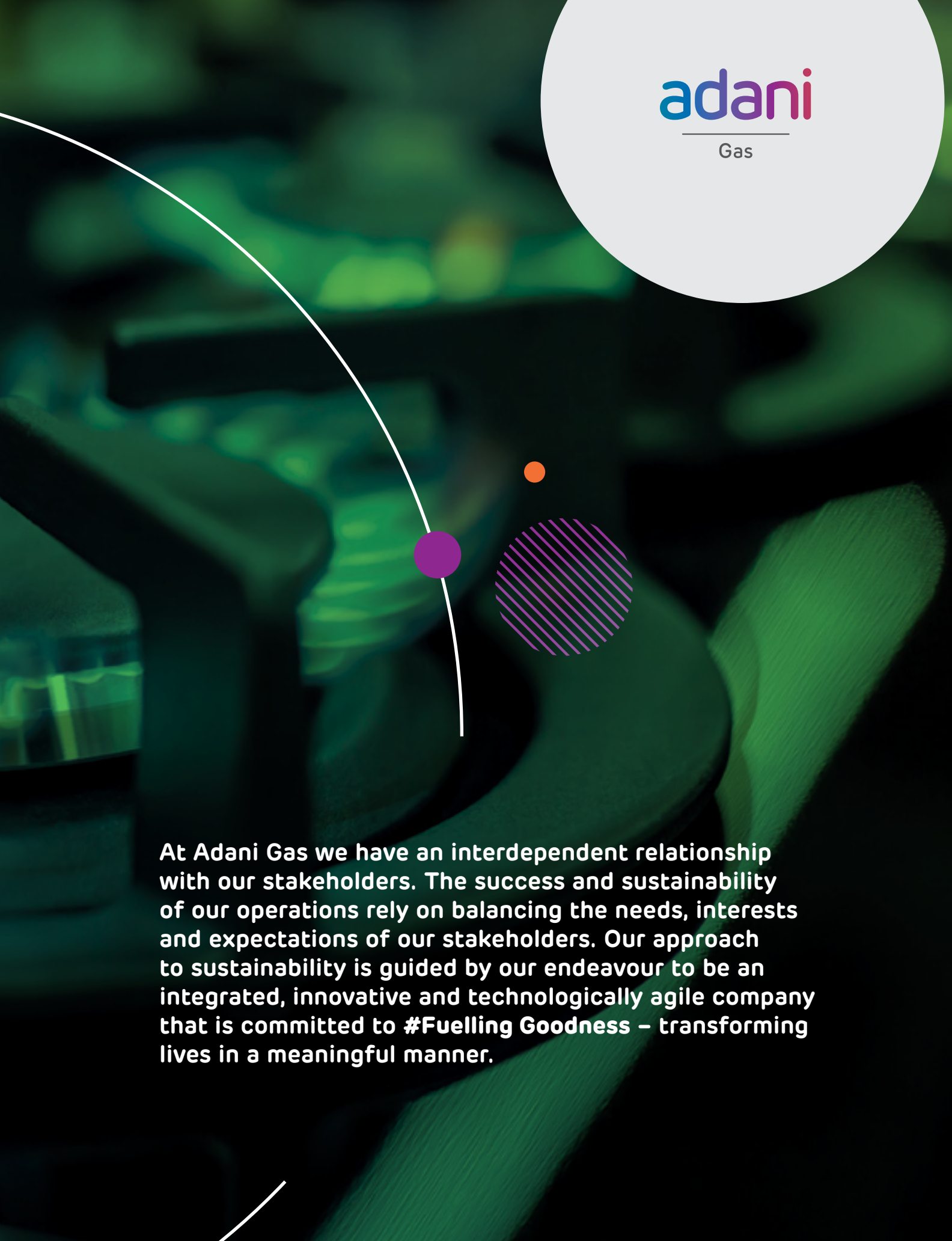
Geographic Information System (GIS): To monitor and maintain the pipeline network proficiently, the pipeline network that has been laid is constantly being mapped through GIS. We also undertake data enhancement activities such as completeness of network mapping, land base upgradation, incorporation of building addresses and accuracy enhancements based on surveys. User specific functions such as hyperlinking drawings/documents to features, layers visibility control, functionality to indicate on-going third party activities and outage manager are being introduced in the GIS. Through the platform, we continuously receive useful information of pipeline network for regular monitoring, repair and maintenance as well as emergency handling. -

Automated Meter Reading (AMR) system for I&C Customers: At Adani Gas, we have implemented AMR system for all our Industrial & Commercial customers. This has enabled us to strengthen the safety of operations and improve customer service.

Project Management Office (PMO): We are leveraging and moving towards automation to capture and display of performance of key milestones of all ongoing projects as well as assist execution departments in figuring out the areas of concern. The system enables us to improve our accuracy and timely submit the requisite information to stakeholders and regulators.

Creating value for our stakeholders.

Making a difference for a better tomorrow.



At Adani Gas we have an interdependent relationship with our stakeholders. The success and sustainability of our operations rely on balancing the needs, interests and expectations of our stakeholders. Our approach to sustainability is guided by our endeavour to be an integrated, innovative and technologically agile company that is committed to **#Fuelling Goodness** – transforming lives in a meaningful manner.

Committed to Deliver Value

We believe that our long-term success depends on our ability to build an effective and mutually beneficial relationship with all our stakeholders.

At Adani Gas, we are committed to earn and sustain the trust of our stakeholders as it drives us to deliver on our growth plans and strategies.

To understand the needs and expectations of our stakeholders, we regularly engage with them to identify and address concerns on time, building lasting relations and encouraging open communication.

Shareholders / Investors

Our primary responsibility towards our shareholders is to deliver acceptable returns on their investment. We are committed to communicate the operational, strategic and financial achievements through regular investor interactions in a timely and transparent manner. Through a range of investor engagement activities, including conference calls, Investor meets and quarterly & annual presentation, we foster open and transparent communication. Through effective communication we aim to assist them in understanding our business strategy and take informed decisions.

Our engagement platform:

- Annual General Meeting
- Communicating financial and non-financial parameters through annual report
- Holding Board meetings for communication of financial results
- Quarterly reports on the operational and financial performance
- Quarterly earnings call with investors post Board Meeting for discussion on the performance
- Investor and Analyst meets
- Press release for significant matters
- Stock Exchange release and website updates

Value delivered in FY 2019-20

95,023
Market capitalization as on 31st March, 2020 (₹ in million)

25%
Dividend

06
Investor complaints received and closed

₹ 3.97
Earnings Per Share

Customers

We cater to a diverse customer base consisting of domestic, industrial & commercial customers and we continue to deliver on our promise of meeting customer demands on time, to provide them clean, eco-friendly and reliable fuel. With the advent of new technology, we continue to embrace changes in the technological landscape and develop new solutions to enhance and enrich customer experience.

New initiatives undertaken in FY 2019-20

Initiated estimated spot billing for houses that are locked. This has enabled us to reduce TAT from 15 days to same day.

Use of POS terminals for collecting payment at customer care offices and at customer premises through recovery agents. This encouraged digital transactions and offered additional payment options for customers.

Digital payments increased to **89%** by value and **79%** by transaction

Committed to Deliver Value (contd..)

Safety first

Safety and security of consumers is a priority for Adani Gas. It lays maximum emphasis on ensuring a safe and secure environment for its employees as well as consumers. The Company makes a concerted effort to share safety guidelines and organize awareness campaigns to mitigate risks at all times.

1. The Company regularly shares Health & safety guidelines with customers on social media (FB/Twitter)/SMS/ email/ through Gas bill etc, laying emphasis on safe use and handling of Piped natural gas.
2. Consumer safety kit provided with every new connection, to customers, for safe use of PNG.
3. Industrial customer awareness program carried out regularly for industrial customers
4. CNG Clinic - vehicle safety tips/ awareness program conducted for drivers, along with Health check-up campaigns
5. A yearly leak detection program is carried out for each house to check the condition of the rubber hose, valve, etc.
6. Safety tips published through Gas bills
7. We conduct dedicated safety training programs
8. 'Dial before Dig' campaign to raise awareness among the public through newspapers, radio etc.

Value delivered in FY 2019-20

24*7

Customer care service provided

62%

Increase in CNG stations in the past 3 years

90%

of customer calls responded within 40 seconds

99.63%

of the bill related queries were closed within SLA

Adani Mitra

Campaign launched for increasing awareness on use of natural gas

Committed to Deliver Value (contd..)

Employees

At Adani Gas, our people are our greatest asset. To build a motivated workforce that serves as the foundation for innovation, growth and performance, we nurture talent from diverse backgrounds, offering conducive environments to succeed and prosper professionally as well as personally. We also foster an inclusive culture to accommodate and offer equal opportunities to all, irrespective of caste, creed or gender. To further enhance and encourage employees' skill development, we undertake various learning and development initiatives for new as well as existing employees

Initiatives undertaken during FY 2019-20

Training and development

We organize various training and development of initiatives based on the requirements identified during the start of the fiscal year. During the year under review, we organized the following trainings programs:

AGL is having well-structured training program for different stakeholders. Mandatory Safety induction training is imparted to all employees & contractors. Mandatory Safety, Technical & Operation Competency (STOC) training is given to all contractor employees. Employees are also trained based on training need identification on all high risk activities i.e. PTW, working-at-height, electrical etc. PETZL Rope access system training is imparted to plumbers doing high risk riser job at height. AGL also increases safety awareness of its customers by organizing Industrial Safety awareness program, sharing CNG Safety tips, distributing Do's & Don'ts for Domestic safety. Special awareness drives are also conducted through social media & radio.

These training and development initiatives has been beneficial for the company as well as for the employees. Through these training, the employees are able to adapt to changing business environment & new technologies, increased work accuracy & performance and improved their efficiency & effectiveness.

Employee engagement activities

Leadership Talk:

A virtual TOWN-HALL is organized using digital live communication platform. It is a regular feature for business leaders to communicate directly with the employees simultaneously at various locations at the same time. The main object of this intervention is to share the business updates & challenges, facilitate change initiative, concerns and to get the feedback on the changes made. It is conducted once a month.

Vartalaap:

It is an interactive TOWN-HALL event which is organized at all the locations at least twice a year. Through this interaction the leaders share the business updates and also clarify the doubts on different aspects of business. It enables the leaders and management to get the first-hand feed-back on policies and people affairs, practices & suggestions. Formal communication about actions taken on the suggestions and concerns raised by the employees is also discussed.

Maadhyam:

It is a digital platform, rolled out in 2016, allowing a transparent communication channel to all employees through which they can provide ideas, suggestions and insights on strategy, operations and technology improvement, directly to the Chairman of Adani Group.

Straight from Ground Zero:

It is a very diligently designed intervention where employees get an opportunity to interact one-on-one with the CEO and at the same time the CEO also gets an opportunity to build a meaningful dialogue with employees.

SETU:

It is a digital platform-based intervention for employees to share their concerns regarding HR policies & practices, safety, personal grievances, communication of incidents and concerns. All the matters raised by the employees are discussed with the concerned department or function and people. Further, appropriate actions are taken to address the issues logically and the employee is individually communicated back on the same. This initiative has helped us to address the concerns and employee grievances quickly and thereby improve retention ratio.

A diversified workplace

At AGL, we foster a workplace that is engaging, rewards performances, is safe and encourages inclusion. We value diversity, provide equal opportunity, and recruit & promote employees based on merit that allows us to have a more comprehensive and balanced skills-set of associates. We continuously put in efforts in improving diversity across our spheres of operations. We are aiming for the development and change in the mindset that will allow us to celebrate diversity in its truest sense. We are moving in better directions and plan to implement strategies that will imbibe diversity and inclusion in our DNA. We wish to build a diversified employee base wherein employees belong to different ethnicities, religious beliefs, cultural backgrounds, geographical locations & gender.

Committed to Deliver Value (contd..)

Employees (contd..)

Promoting the culture of 'Idea generation'

Our employees come from various backgrounds having their own unique experiences and thought processes. Through our platform Maadhyam, we initiate a flow of ideas from them across various operations and processes including strategy, operations, technology and organization. Based on the response from the employees and the usefulness of their inputs to the organization and the businesses, it is imperative that we ensure a continuous flow of such ideas. As a result, the leadership team has decided to formalize a reward & recognition mechanism to acknowledge the contribution made by our employees and further motivate them to participate in sharing their inputs. The reward policy incorporates a monetary reward along with memento and appreciation certificate from the Chairman.

Value delivered in FY 2019-20

1,264
Man-days of training provided

157
Number of new recruits

64
Training courses offered

10,112
Total hours of training

30,000+
Man-hours of safety training to its people & stakeholders

355
Employees trained

(**91.26%** coverage)

6.65 years
Average Experience of employees working with Adani Gas

35.18 years
Average age of employees

Government and Regulatory Bodies

At Adani Gas, we maintain healthy and strong relationships with the government and various industry regulatory bodies. We ensure that all our operations, processes, businesses are always compliant to various stipulations, policies, directives of various statutory and regulatory bodies like PNGRB, PESO, MOPNG, CBDT, CBEC, DGFT and DGS. We also comply with various technical, operational, financial and business related stipulations of all the relevant statutory bodies.

We leverage our relationship with them to align our policies as per regulations and to be prepared to embrace change. We remain committed to adhere to the highest ethical standards and corporate governance practices. With an aim to discuss various emerging issues and bring positive change in the industry, we remain actively engaged in various industry forums. . Our officials participate in various seminars and forums arranged by different bodies/associations and in many such forums our officials deliver presentations as well. We also pro-actively contribute towards employment generation and a holistic development of the nation by supporting government initiatives like digitization.

Value delivered in FY 2019-20

320
Contribution to exchequer (₹ in crore)

Suppliers

We thrive to conduct our business in an ethical, responsible and transparent manner. We work closely with our suppliers across the value chain to ensure smooth and uninterrupted operations. To procure materials and services for our day to day operations, we engage with small as well as large producers, strengthening our partnership with suppliers to create value in terms of quality, cost and innovation, enabling us to differentiate our offerings from our peers.

Highlights FY 2019-20

- Majority of material was procured centrally from OEM.
- Out of the services contracts, ~60% of civil contracts are allocated locally, whereas other services are generally dependent on OEM and non-OEM services. OEM services are purchased centrally whereas non-OEM services are generally procured locally.
- Regular audits and safety check are conducted at supplier / vendors place of business
- We have separate EHS (Environmental Health Safety) conditions of contract which must be fulfilled before awarding throughout the service contract

Value delivered in FY 2019-20

577

No. of suppliers in our supply chain

Timely

Payment of dues to our suppliers

Communities

At Adani, we believe in going beyond CSR activities to help socio-economic development of the society at large. Through our social investment, we try to meet the needs of local communities through various initiatives in areas that ensure well-being of the society. Our focus areas include quality education for underprivileged children, particularly the girl child, improvement of health, livelihood development programs and contribution towards rural infrastructure development.

Further, at AGL we have undertaken empowering community initiative with a strong focus on empowering Housewives, Senior Citizens and Students. It aims to make them independent and boosts confidence to lead a meaningful life. Through our mobile application My Adani Gas, students, housewives & senior citizens who have some spare time, may register and become an Adani Gas Mitra. As Adani Mitra, they can offer leads for AGL CNG and PNG connections through the app and their efforts are suitably rewarded by us.

Value delivered in FY 2019-20

5.21

Spent towards CSR activities (₹ in crore)

2,315/18

Villages/States covered

486

Adani Gas Mitra Registered

197

Leads received

52

Read more about our CSR activities on this page of the Annual Report

Integrated Energy Player

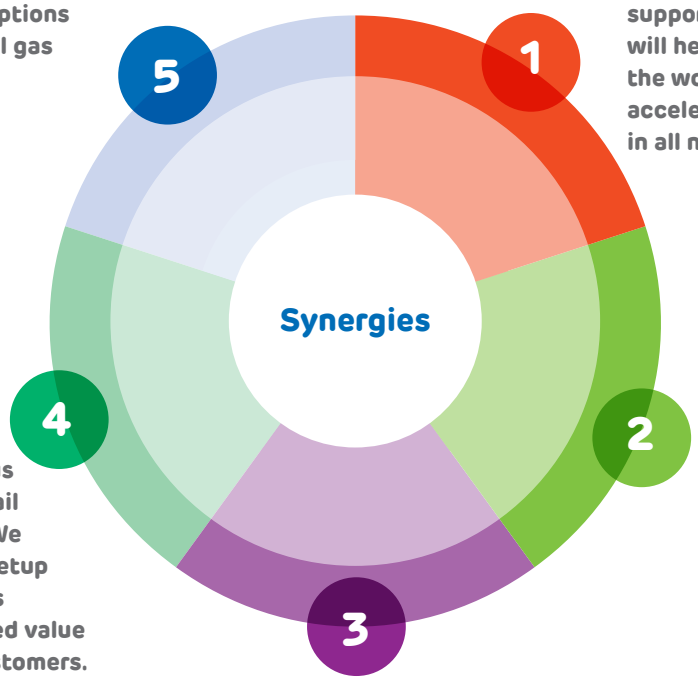
At Adani Gas, we are positioning ourselves to deliver maximum long-term value by pursuing a strategic roadmap that maximizes our competitive advantage.

Acquisition of 37.4% equity stake by TOTAL Group

During the year under review, TOTAL Group and Adani Group has come together to create one of India's largest Downstream Energy Partnerships. With a distinct set of competencies, they aim to cater to the growing gas demand in the Indian market, across LNG, Fuel Retail and City Gas distribution. While Adani competently delivers world-class assets, TOTAL Holdings SAS utilizes its integrated business model to deliver global best practices to ensure sustained growth and success. Together, they are poised to make a difference and strategically pace ahead.

The signing of Shareholders' Agreement with TOTAL Group

Synergies of the deal



1 The partnership and equity support from TOTAL Group will help us to get access to the world's best practices and accelerate project executions in all new geographic areas

2 Significant investment inflow is planned for the next 10 years to develop gas infrastructure, distribute and market gas and to expand our presence across the country. We also aim to set up a world-class small scale LNG based gas distribution in some of our GAs and fuel retail infrastructure in India.

3 Provides us with opportunities to strengthen our business model with backward integration in terms of major equipment needed in CGD infrastructure.

4 It will also enable us to pioneer fuel retail business in India. We target to initially setup 1,500 fuel stations providing integrated value and offering to customers.

5 Adani Gas will get access to better sourcing options from a global natural gas company

Joint Venture with Indian Oil Corporation Limited (IOC)

Adani Gas entered into a partnership with Indian Oil Corporation (IOC) to form Indian Oil-Adani Gas Private Limited (IOAGPL) as a 50:50 joint venture to fast-forward the implementation of CGD projects across the country and enhance its distribution network, utilizing the strong pipeline infrastructure of IOC.

Results of the JV as on 31st March, 2020

19
Geographical Areas (GA) authorized

58
EBITDA (₹ in crore)

309
Revenue (₹ in crore)

Agility in a Changing Industry Landscape

India is the world's third largest energy consumer after the USA and China and is expected to emerge as the largest energy growth market by 2020.

India's gas consumption is rapidly growing and policies in favour of clean fuel is further pushing demand for natural gas. The demand for natural gas and LNG will continue to increase as the nation seeks abundant, reliable and environmentally cleaner fuel alternatives to oil and coal. The snapshot of key industry statistics and favourable factors have been illustrated below.

Natural

Gas

~50%*

Economical than Petrol

~25%*

Economical than Diesel

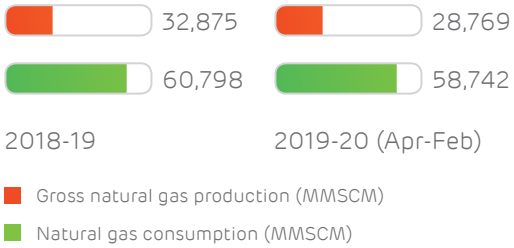
~40%*

Economical than market priced LPG

*May vary time to time across GAs owing to change in central and state taxes

Production and Consumption of Natural gas

The production and consumption of natural gas is sustainably growing in India. The country is highly dependent on the import of gas to meet its consumption requirement. Rising Consumption can be attributed to increasing availability, development of natural gas transmission and distribution infrastructure and its environment friendly attributes. The consumption has been mainly driven by sectors such as industries, fertiliser, city gas, power and refineries.



(Source: PPAC)

Natural Gas pipeline

To ensure easy availability of natural gas in the country, the government plans to expand the natural gas pipeline network to

27,000 km

from the present 16,200 km[1]

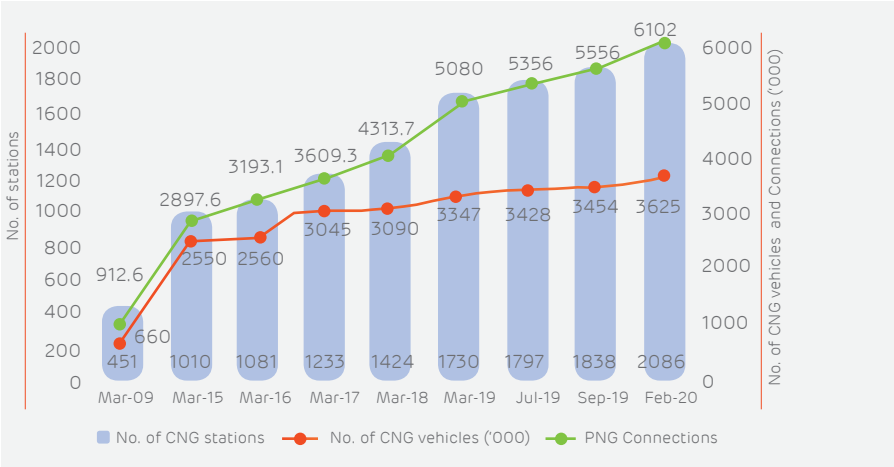
This will provide the necessary impetus to the development of infrastructure such as LNG terminal, transmission pipeline, CGD network and CNG and LNG pumps

City Gas Distribution (CGD)

The expansion of CGD network will make India a key destination for all major global suppliers of compressors, dispensers, meters, fittings and technology solutions. The next eight years will see an investment layout of around a US$15-20 billion. This will be a result of a massive jump in PNG and CNG infrastructure, with the laying of over 20,000 km of steel pipelines and 1,00,000 km of polyethylene pipelines. There has been an increase in adoption of CNG by private owners as well, as it enhances the mobility of vehicles. As a result, the expanded CNG network will offer customers the option to choose a CNG station according to convenience, in line with other retail products and services.

[1] https://economictimes.indiatimes.com/industry/energy/oil-gas/gas-grid-to-be-expanded-to-27000-km-pricing-reforms-in-offing/articleshow/73851426.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

CGD Growth over the Years



(Source: Natural Gas Society)

Low Penetration and per Capita Consumption

Natural gas accounts for relatively less percentage in the total energy mix due to its low per capita consumption. Despite good infrastructure coverage, pan-India penetration remains low, compared to other emerging markets. However, the government has set an ambitious target of increasing the share of natural gas from 6.2% to 15% by 2030, in the total energy mix. Moreover, with favourable government policy and increasing consumption of gas, penetration level and per capita consumption is expected to increase.

Cost Competitiveness versus Alternate Fuels

The price of natural gas, in comparison with other alternative fuels such as petrol and diesel, is lower. The government has also been evaluating price reforms to ensure its availability at a reasonable rate.

AGL market positioning

Largest
Private player in India's City Gas space with over a decade of experience

~8%
Of the population of India covered by Adani Gas along with its JV - IOAGPL

13
GAs covered as on 31st March, 2020

Consistent
Addition of new connections in domestic, commercial and industrial segments

2
GAs awarded in 10th round of bidding

45
New CNG Stations opened in last 3 years

Strong liquidity
Enabling it to invest in future expansion

Experienced
Board and Management team guiding the Company forward

Expanding
Its Existing CGD Network in new geographies

Living up to Our Responsibilities

Our QHSE Policy outlines the Standard Operating Procedures that promotes a culture of health, safety and protection of the environment in which we operate.

We endeavor to stay true to primary QHSE objective as espoused in our QHSE Policy Changes.

We remain committed to ensuring that our operating partners share and practice the same commitment to QHSE. This is demonstrated through Quality, Occupational Health, Safety & Environmental Management System that we have setup which is updated in a timely manner. We have implemented robust Integrated management system (IMS) & accredited for the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and OHSAS 18001:2007 Occupational Health and Safety assessment Series. All the above certificates are audited periodically by approved third party agency and internally by our certified internal auditors.

We have a corporate Health, Safety & Environment policy in place that is pivotal to the QHSE performance & continual improvement. The policy also ensures social protection, complying with OHSAS 18001:2007 international standards.

Our key HSE priorities include a continuous improvement in health and safety by reducing accident, occupational injury, and work-related illness rates. We firmly believe that all types of injuries, illness & incidents are preventable.

Injury prevention programmes, as well as transport and fire safety programmes, are developed in accordance with our integrated QHSE system. In the event of an incident, we carry out an investigation and develop & implement corrective actions. Information about incidents is communicated to contractors engaged with us and that preventive actions can be taken.

Our FY 2019-20 performance

ZERO
Fatality

0.46
Lost Time Injury Frequency Rate (LTI FR)

Safety Audits
by leaders at AGL site

- We have an Emergency Response Disaster Management plan with dedicate Area Emergency teams which are equipped with all resources in place to respond to any type of emergency.
- We have a centralized master control room setup available to report any emergency and manage any unexpected or accidental incidents.
- Robust fire/smoke detection systems are in place at all our locations.
- To check the emergency preparedness, we conduct emergency drills periodically to communicate lessons and corrective measures.
- We also have an in-house team as well as external partners to carry out training for the personnel to handle different emergencies.

of our contractors and any other stakeholder who may be affected by our operations. The contractors are considered our business partners and are expected to comply with our QHSE standards. For this, we provide coaching and assistance to the business partners as and when required.

1. **Every employee and contractor employee need to undergo Health & Safety training for the work they do**
2. **Pre-employment Health check-up is mandatory for all the employees**
3. **Life Saving Safety Rules are in place to ensure health & safety of the employees**
4. **Employee and contractor are encouraged to report all near miss and incident**
5. **We are dedicated to our employees' health and safety and offer regular medical examinations for our staff.**

Safety First

We also take various initiatives for raising the general awareness in the relevant community and operating environment as a part of our continuous improvement in Safety measures. We engage and participate in various events like out National Safety Week (NSC), Fire Service Week, Environment day & Road Safety Week, etc.

Regular safety audits are being conducted by external third party statutory auditors. This helps in keeping the Health and Safety measures relating to our personnel and the assets as per national and international standards and working practices. We are committed to the Health and Safety of not only our employees but also the employees

To increase safety awareness among our customers, we organized industrial as well as domestic safety awareness programmes. We also shared safety tips along with do's and don't collaterals. To prevent any major incidents, initiatives included were-

- Special campaign on "Dial before Dig"
- Implemented structured behavior-based Safety program "Suraksha Samwaad"
- 3rd party comprehensive asset integrity audit and follow up on the action points
- Vulnerability Safety Risk Study completed for AGL to identify the high-risk areas
- Implemented Safety Risk Field audit for contractor audit
- Conduct of appropriate risk assessments i.e Hazop/QRA for all our installations as a proactive measure

Ensuring Resource Efficiency

We are into the business of natural gas distribution, where the raw material is natural gas which is the cleanest, safest and the most reliable form of fuel available.

We continue to demonstrate long-term commitment towards building an ecosystem that is sustainable for all.

We have identified all the activities from our business which may have a direct or an indirect impact on the environment. To reduce the impact on the environment caused from our business activities, if any, we have established adequate control mechanism in place.

Energy consumption

The current corporate office of our company is built on the green building concept that consumes lesser energy, than normal standards. Additionally, to save other resources we have undertaken initiatives including but not limited to –

LED lights replacing the conventional lights

Installation of aerator in water taps

Regular monitoring of power factor correction to maintain more than 0.98

Motors used for gas compression are energy efficient.

Going ahead, we are planning to install solar panels at all our CNG stations to lighten stations with solar power and helping reduce carbon foot print.

Waste management

Our waste management policy includes a range of measures, including, prevention and minimization, reuse, recycling, recovery and disposal. Waste such as metal and other non-hazardous scrap is disposed to government approved vendors for further recycling/ reuse. Oil drums/batteries, waste cotton etc. are disposed to approved hazardous waste vendors for land fill/incineration.

Controlling and monitoring emissions

Each department within the organization identifies environment aspect/impact, risk/ opportunities, needs & expectations and works on it for continuous improvement with respect to environment conservation. As a practice to begin with, we have identified certain areas like using of electrical energy at our CNG stations and fugitive emission of Natural gas during handling through flanges, filling, leakage etc.

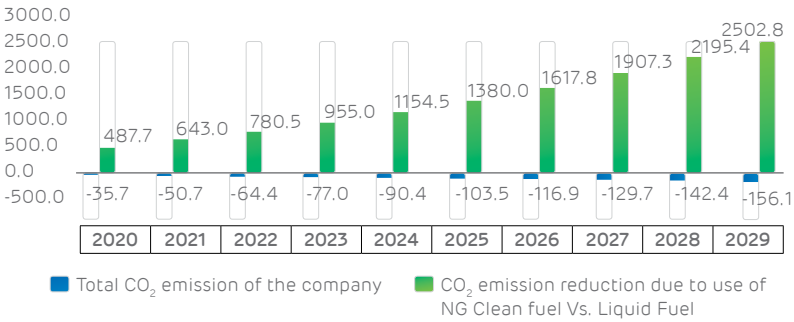
We help reduce carbon footprint of the city by promoting the usage of natural gas. A number of vehicles get converted to CNG because of our marketing and promotional programs, helping reduce fossil fuel related carbon footprint and emissions.

We have identified carbon emission levels from all our operations and projects. The current level of CO_2 emission along with the projection for the next 10 years have been explained in the graph below. The use of Natural gas is helping us to reduce significant amount of CO_2 emissions which otherwise would have been generated due to use of liquid fossil fuel. Use of CNG based vehicles for various operations, the pilot project for using solar panels at CNG stations, use of LED lights in place of conventional lights and third party assessment of Loss of Unaccounted Gas (LUAG) helps to further reduce our carbon footprint.

Additionally, to further control fugitive emissions, we have undertaken several measures such as:

- **Taking measurable steps to further reduce LUAG (Loss & Unaccounted Gas)**
- **Reduction of third-party damages to prevent gas loss**
- **To enhance the frequency of Lock Pressure Test in PE and GI lines and regular patrolling & walk survey to check any leakage in the line.**
- **Stack monitoring carried for the DG sets**

CO_2 emission
('000 Tonnes /annum)



(Source: Company estimates)

Ensuring Resource Efficiency (contd..)

Environment conservation

We also have an environmental management system that sets environmental objectives & targets and prepares management program every year to achieve them. This helps us in adopting eco-friendly practices thereby contributing for the prevention of any pollution, contaminations and wastage of resources from our operations.

Our operations are being audited periodically to ensure the effectiveness of implementation and improvement on a continual basis. We also have obtained accreditation for ISO 14001:2015 Certification by meeting the specific requirements for environmental management system that enhances environmental performance.

We have been leveraging our investment in digital technology to make significant strides in reducing paper consumption and thereby preventing paper waste. We encourage customers to opt for electronic billing and online payment methods instead of physical copies and receipts. Through our My Adani Gas app customers have the access to full digital services right from placing service request to account statement. Further, through our Touchless Revenue Management System we have digitize the end-to-end cycle of revenue management, starting from the meter reading to payment. All these initiatives have enabled us to significantly reduce our paper consumption.

Major initiatives undertaken by us are –

1. We prepare aspect/ impact register for each department to manage environmental challenges and to identify controls, impart training to employees, manage internal/external audits on ISO 14001:2015

2. We have established a system to monitor external and internal impacts for each process that are relevant to our purpose.

3. We also monitor and review information about the interested parties and their requirement that are relevant to QHSE, ensuring compliance to highest standards.

4. We have determined and provided resources needed for the establishment, implementation, maintenance and continual improvement of the QHSE Management System through process charts, QHSE system procedure and management program

Other activities that we undertake to improve environmental management are –

Promote CNG Clean fuel awareness among general public on Radio/social media

Sapling distribution on environment day

Canvas bag distribution for preventing plastic pollution

Our outlook and targets for the future

1

Green energy based CNG stations where solar panel will be used as energy source is being considered and implementation are in pilot project stage

2

Water saving initiatives such as aerator installation/ water meter installation in offices/ stations

3

Drive on reduction of fugitive emissions

4

Promoting use of clean fuel thereby reduction of the significant amount of CO_2 emission. More than 1200 Tons per day of CO_2 emission achieved comparative to the use of liquid fossil fuel.

5

Identified & measured carbon footprint of company across all locations & operations. AGL CO_2 emissions for 10 years projection has been made.

Corporate Responsibility

At Adani Gas, we undertake a holistic approach towards developing a more inclusive society. We aim to positively contribute to the well-being and upliftment of the people, in communities within our areas of operations.

Adani Foundation is the CSR, sustainability and community outreach arm of Adani Group, and we, at AGL, fulfil our socio-economic goals by partnering with them.

For over two decades, Adani Foundation is committed to create sustainable opportunities for marginalized communities. The community development initiatives are not just restricted to places where Adani Group operates its business, but also covers regions that are in dire need for timely and relevant interventions.

Key statistics for FY 2019-20

18
States covered

2,315
Villages covered

3.4 million
People served annually

The key Focus areas of CSR activities include:

- Education
- Community Health
- Sustainable Livelihood Development
- Community Infrastructure Development

Education

Adani Foundation firmly believes that education is vital for a nation's growth and success. It lays great emphasis on providing quality education to the underprivileged sections of society and reaches out to backward areas with its 8 schools including Adani Vidya Mandir, Adani Vidyalaya, Navchetan Vidyalaya, Adani Public School and Adani DAV Schools. To ensure access to quality education for all, the foundation organizes smart learning programs and projects to adopt government schools from remote areas. It also helps Aanganwadis and Balwaadis by encouraging children to learn and grow in a fun-filled environment.

Adani Foundation aims to improve the quality of education through its Utthan and Gyanodaya programs. It also provides infrastructure support to schools in the form of library construction, donation of school benches and provision for safe drinking water through its Praveshtosav program.

Adani Vidya Mandir

Adani Foundation firmly believes that education is vital for a nation's growth and success. It lays great emphasis on providing quality Providing cost-free, quality education to students from economically weaker sections of society, Adani Vidya Mandirs are operational in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). To ensure quality education for children, qualified teachers are hired and continuous training is provided to school staff. Students are also provided necessary items like uniforms, books and stationery. The schools have created a benchmark in the cost-free model of education and has been recognized by the Quality Council of India (NABET Accreditation) for its outstanding contribution to education.

All the three schools were appreciated at the recently held Samagra Shiksha Empowering Awards 2020, for their contribution to quality and value-based primary education to the underprivileged and realizing their aspirations of studying in reputed institutions. Adani Vidya Mandir Ahmedabad was recognized as the Best Private School (Unaided) by the State of Gujarat and also received the ASSOCHAM Education Excellence Awards 2019 as the 'Best Education Initiative (School Serving Social Cause)'.

Education to the underprivileged sections of society and reaches out to backward areas with its 8 schools including Adani Vidya Mandir, Adani Vidyalaya, Navchetan Vidyalaya, Adani Public School and Adani DAV Schools. To ensure access to quality education for all, the foundation organizes smart learning programs and projects to adopt government schools from remote areas. It also helps Aanganwadis and Balwaadis by encouraging children to learn and grow in a fun-filled environment.

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2,209

Children benefited from cost-free education

Corporate Responsibility (contd..)

Swachhagraha

Drawing inspiration from Mahatma Gandhi's Satyagraha, Adani Foundation started Swachhata ka Satyagraha, a Behavioural Change Education Programme. It aims at engaging people and bringing about a change, involving people to take action for creating a culture of cleanliness. The Programme focuses on four key themes, Waste management and Littering, Sanitation, Personal Hygiene and Toilet Etiquette.

Adani Foundation, jointly with a team of more than 1,00,000 Swachhagrahis across 19 states, reached out to 26,50,000 students every month. With the help of students and teachers from more than 5,500 schools, the movement has reached out to more than 12,50,00,000 people. Swachhagraha also ran a campaign with Adani Gas Limited, wherein all gas bills carried the message of cleanliness. Swachhagraha engaged with about 3.5 lakh customers of Adani Gas Limited through this campaign.

Udaan

Udaan provides school children an opportunity to be inspired and aspire for greater glory in life. It allows students to visit Adani group facilities, including Adani Port, to get an insight of large-scale business operations and thus, provides an exposure that leaves a lasting impact on young and impressionable minds.

55,162

Students and teachers from 900 institutions visited Adani Port in FY 2019-20

Community Health

Providing proper healthcare is important, especially in a country with huge income disparities. The rural areas lack proper medical infrastructure and are unable to provide adequate medical support for people in remote areas. As a result, Adani Foundation undertook the following initiatives to ensure proper healthcare.

- Established Mobile Health Care units
- Developed rural clinics and wellness centres.
- Operation of Gujarat Adani Institute of Medical Sciences (GAIMS), the first ever district hospital on PPP model, to provide medical help to patients on a daily basis.
- Various general and specialized health camps were organized, including cancer screening camps
- Health cards were given to senior citizens with family income of less than ₹ 2,00,000 per annum. The health card provided access to healthcare services worth ₹ 50,000, for a period of three years.

SUPOSHAN

adani wilmar
Suposhan
For a healthy growing nation

SUPOSHAN is a multi-pronged approach to tackle malnutrition. In FY 2019-20 around 10,488 severely malnourished children benefited from this program and moved to a moderately malnourished status. In addition, another 24,045 children under the age of 5 years acquired the healthy status, with the help of 634 SuPoshan Sanginis across the country.

Corporate Responsibility (contd..)

Sustainable Livelihood Development

Adani Foundation supports livelihood development by empowering communities, imparting skill development programs and providing employment opportunities. During the year under review, following initiatives were undertaken:

- Agricultural Initiatives - Systematic Rice Intensification, Drip irrigation, vegetable cultivation and mushroom cultivation
- Income generation activities with women Self Help Group (SHGs)- Stitching uniforms for school kids in Godda Jharkhand, agarbatti manufacturing, mushroom cultivation, spice making, cooking food for AVM Surguja school, sanitary pad making & marketing, chapati making and manufacturing of non-perishable items such as phenyl and washing powder
- Livestock development at cooperatives - Artificial Insemination, fodder development and cattle vaccination
- Supplementary livelihood for fishermen: Encouraging participation in mangrove plantation
- Training of youth and women through Adani Skill Development Centres

80
Adani Skill Development centres across the country

26,444
People trained at Adani Skill Development Centres

Community Infrastructure Development

To ensure better quality of life, Adani Foundation made effective contribution to building infrastructure in regions that needed it most, thereby empowering the economic growth of those regions. During the year under review, following projects were undertaken:

- Construction of roads
- Water Resource Development projects including pond deepening, anicut construction, stream clearing and revival of tube wells
- Provision for clean drinking water through installation of hand pump, renovation of wells, rooftop rainwater harvesting facilities, installation of RO plants and construction of underground & overhead water tanks
- Installation of street lights and high mast lighting in common areas

Support during Covid-19

As soon as the first case of Covid-19 was detected in India, Adani Foundation took a series of initiatives to tackle the spread of the virus. From organization of awareness campaigns to providing material relief in the form of medical equipment, sanitizers and ration to labourers and economically weaker sections, Adani Foundation actively participated to help people in need.

1,70,000+

masks produced by self-help groups and distributed to the District Administration, police personnel, health workers and villagers

4,078

ration kits distributed along with a supply of rice, dal and other grocery items for community kitchens

63,000+

food packets distributed among labourers

Sanitization

of villages were undertaken

Awards

AGL continues to win the hearts and minds of all stakeholders

Golden Peacock Awards - HR Excellence Award

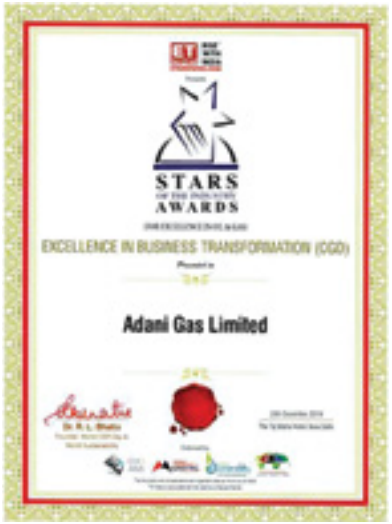
Adani Gas Limited was awarded the **"Golden Peacock Award for HR Excellence"** for the year 2019. Adani Gas received this award for its commitment to the employees and excellence in the progressive HR practices at an award ceremony held in Mumbai.

ISGF Innovation Awards - Gold Award for Smart Technology

Adani Gas Limited was awarded the **Gold Award** under the **Smart Technology category** of the ISGF(India Smart Grid Forum) Awards 2020. AGL presented their Idea on **'C-Tag – CNG Cylinder E-validation'** which proposed an Innovative safety measure using RFID to stop the usage of untested CNG cylinders. AGL had to go through 2 rounds of scrutiny with the second round being a presentation in front of distinguished panel. The award ceremony was a part of the **ISUW 2020 (India Smart Utility Week 2020)** held in Delhi from 3rd to 7th March 2020.

Star of the Industry Awards - Excellence in Business Transformation (CGD)

Adani Gas limited was awarded **Excellence in Business Transformation** under the Star of the Industry Awards 2020 held in December 2019. AGL was recognized for its continuous efforts on digital transformation for the betterment of its stakeholders.



Board of Directors

Gautam Adani
Chairman

Pranav Adani
Director

Alexis Thelemaque
Director

Maheswar Sahu
Independent and
Non-Executive Director

Naresh Kumar Nayyar
Independent and
Non-Executive Director

Chandra Iyengar
Independent and
Non-Executive Director

Corporate Information

Company Information

BOARD OF DIRECTORS

Mr. Gautam S. Adani, Chairman
Mr. Pranav V. Adani, Director
Mr. Alexis Thelemaque, Director
Mr. Maheswar Sahu, Independent Director
Mr. Naresh Kumar Nayyar, Independent Director
Mrs. Chandra Iyengar, Independent Director

Chief Executive Officer

Mr. Suresh P Manglani

Chief Financial Officer

Mr. Parag Parikh

Company Secretary

Mr. Gunjan Taunk

Auditors

M/s. Shah Dhandharia & Co.
Chartered Accountants, Ahmedabad

Bankers / Financial Institutions

HDFC Bank
Axis Bank
ICICI Bank
IndusInd Bank
Kotak Mahindra Bank
Yes Bank
IDBI Bank
State Bank of India
Bank of Baroda
Union Bank of India
Syndicate Bank

Registrar and Transfer Agent

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli West,
Mumbai 400 083
Tel No.: +91 22 4918 6270

Joint Venture Company

Indian Oil - Adani Gas Private Limited (IOAGPL)

Registered Office

"Adani House"
Near Mithakhali Six Roads, Navrangpura,
Ahmedabad 380 009, Gujarat, India
CIN: L40100GJ2005PLC046553

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 15th Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2020.

Financial Performance

The summarised financial highlight is depicted below:

(₹ in Crores)

Particulars	Consolidated Results		Standalone Results	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	**1,990.90**	**1,823.49**	**1,990.90**	**1,823.49**
Operating Expenses	1,176.32	1,197.18	1,176.32	1,197.18
Administrative & Other Expenses	219.82	171.67	219.82	171.67
Total Expenditure	1,396.14	1,368.85	1,396.14	1,368.85
Operating EBITDA	**594.76**	**454.64**	**594.76**	**454.64**
Other Income	44.39	86.68	44.39	86.68
EBITDA	**639.15**	**541.32**	**639.15**	**541.32**
Finance Costs	41.05	89.85	41.05	89.85
Depreciation and Amortization Expenses	50.70	67.31	50.70	67.31
Profit for the year before Exceptional Items & Tax	547.40	384.16	547.40	384.16
Less: Exceptional items	0.00	27.64	0.00	27.64
Profit before tax	**547.40**	**356.52**	**547.40**	**356.52**
Tax Expense:	111.16	127.81	111.16	127.81
Profit for the year before share of profit / (loss) from joint venture	436.24	228.71	436.24	228.71
Share of profit / (loss) from joint venture	0.08	-0.01	-	-
Net Profit / (Loss) after Joint Venture	**436.32**	**228.70**	**436.24**	**228.71**

Note:

1. There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped / re-arranged wherever necessary.

Performance Highlights

Consolidated Financial Results:

The audited consolidated financial statements of your Company as on 31st March, 2020, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

The key aspects of your Company's consolidated performance during the financial year 2019-20 are as follows:

Operational Highlights:

- Your Company has registered a growth of 8% Y-o-Y basis in terms of overall sales volume as compared to previous year.
- Growth in Sales Volume of PNG by 10% and CNG by 5% on Y-o-Y basis
- Along with its JV, the Company is now operational in 22 Geographical Areas.

Financial Highlights:

- FY 20 Revenue from Operations increased by 9% Y-o-Y to ₹ 1,991 Crores vs. ₹ 1,823 Crores.
- FY 20 Operating EBITDA also increased 31 % Y-o-Y to ₹ 595 Crores vs. ₹ 455 Crores.

Standalone Financial Results:

On standalone basis, your Company registered revenue from operations of ₹ 1,991 Crore and PAT of ₹ 436 Crore.

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Report which forms part of this Report.

Dividend

Your Company has already paid interim dividend @ 25% (₹ 0.25 per share of ₹ 1 fully paid-up) on the fully paid up Equity Share Capital of the Company as recommended by the Board of Directors of the Company in its meeting held on 19th March, 2020 for the year 2019-20 resulting into an outflow of ₹ 33.15 Crore including tax thereon.

Your Directors wish to conserve resources for future expansion and growth of the Company. Hence, your Directors have decided not to declare any further final dividend for the year under review.

Your Directors also recommended a dividend of 10% (₹ 1/- per Preference Share of ₹ 10 each) on the 10% Cumulative Redeemable Preference Shares out of the profits of the Company for the financial year 2019-20. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 0.60 Lakhs including tax thereon.

Covid-19 Pandemic

Due to outbreak of Covid-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19, and that the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities and compliance with the debt covenants, as applicable.

Open Offer and Change in Promoter & Promoter Group Shareholding Pattern

Pursuant to the Shareholders' Agreement dated 14th October, 2019 executed amongst Total Holdings SAS (**"THS"**), certain existing members of the promoter group of the Company and the Company (**"SHA"**), and the Share Purchase Agreement dated 14th October, 2019, executed amongst THS and certain identified sellers forming a part of the promoters / promoter group of the Company (**"SPA"**), an Open Offer to the public shareholders of the Company (**"Open Offer"**) was triggered under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**"SEBI Takeover Regulations"**), pursuant to which THS has acquired 595 Equity Shares representing 0.0000541% of the paid-up share capital of the Company on 14th January, 2020, in accordance with the SEBI Takeover Regulations.

Upon the completion of the Open Offer, THS has acquired certain rights in respect of the Company under the SHA, pursuant to which it has acquired control over the Company and has consequently become a 'promoter' of the Company, as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Further pursuant to SPA, THS has acquired 41,13,31,145 Equity Shares of the Company, representing 37.40% of its total paid up share capital on 28th February, 2020 from certain existing members of the promoter group of the Company.

Subsequently, your Company become a joint venture company of Adani Group and TOTAL Group which representing 37.40% each and remaining 25.20% by public shareholders.

Fixed Deposits

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

Particulars of Loans, Guarantees or Investments

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Companies Act, 2013. The details of investment made during the year under review are disclosed in the financial statements.

Subsidiaries, Joint Ventures and Associate Companies

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed there under and Regulation 33 of the SEBI Listing Regulations, the Company has prepared consolidated financial statements of the Company and its joint venture and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 which forms part of this Annual Report.

The annual financial statements and related detailed information of the joint venture company shall be made available to the shareholders of the holding and joint venture seeking such information on all working days during business hours. The financial statements of the joint venture shall also be kept for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective joint venture concerned. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including consolidated financial statements and related information of the Company and audited accounts of each of its joint venture, are available on our website, www.adanigas.com.

Pursuant to Section 134 of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the details of development of joint venture of the Company is covered in the Management Discussion and Analysis Report which forms part of this Annual Report.

Directors and Key Managerial Personnel

Mr. Alexis Thelemaque (DIN: 08563003) was appointed as an Additional Director (Non-Executive, Non-Independent) by the Board by way of circular resolution passed on 14th January, 2020.

As an Additional Director Mr. Alexis Thelemaque holds office upto the ensuing Annual General Meeting. The Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing his appointment as Director of the Company.

During the year under review, Mr. Suresh P Manglani (DIN: 00165062) vacated the office as Director and Executive Director of the Company and prioritize his responsibilities as Chief Executive Officer of the Company w.e.f. 5th February, 2020.

The Board places on record its deep appreciation of the valuable services rendered as well as advice and guidance provided by Mr. Suresh P Manglani during his tenure as Director of the Company.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

Mr. Parag Parikh was appointed as Chief Financial Officer of the Company w.e.f. 25th September, 2019.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Gautam S. Adani (DIN: 00006273) is liable to retire by rotation and being eligible offers himself for re-appointment.

The Board recommends the appointment/re-appointment of above directors for your approval.

Brief details of Directors proposed to be appointed/ re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Annexure to the Notice of Annual General Meeting.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made 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, 2020 and of the profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Policies

During the year under review, the Board of Directors of the Company has adopted / amended / approved changes in Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other Employees; Related Party Transaction Policy; Policy for determining Material Subsidiaries; and Code of internal procedures and conduct for regulating, monitoring and reporting of Trading by Insiders to comply with the recent amendments in the Companies Act, 2013 and SEBI Listing Regulations. Accordingly, the updated policies are uploaded on website of the Company at https://www.adanigas.com.

Number of Board Meetings

The Board of Directors met 8 (eight) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this report.

Independent Directors' Meeting

The Independent Directors met on 5th February, 2020, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Policy on Directors' Appointment & Remuneration

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is made available on the Company's website at http://www.adanigas.com.

Internal Financial Control System and their Adequacy

The details in respect of internal financial control and their adequacy are included in Management and Discussion & Analysis, which forms part of this report.

Risk Management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

Committees of the Board

Details of various committees constituted by the Board of Directors as per the provisions of the SEBI Listing Regulations and the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this report.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report. The CSR Policy is available on the website of the Company at http://www.adanigas.com.

Corporate Governance and Management Discussion and Analysis Report

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as stipulated by the SEBI Listing Regulations forms part of this Annual Report along with the required Certificate from Practicing Company Secretaries regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2020 as stipulated under Regulation 34 of the SEBI Listing Regulations is annexed which forms part of this Annual Report.

Prevention of Sexual Harassment at Workplace

As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 are annexed to this Report as Annexure-A.

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. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Shah Dhandharia & Co., Chartered Accountants (Firm Registration No. 118707W), were appointed as Statutory Auditors of the Company to hold office till conclusion of the 17th Annual General Meeting (AGM) of the Company to be held in the calendar year 2022.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report. There were no qualifications, reservations, adverse remark or disclaimers given by Statutory Auditors of the Company.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has re-appointed Mr. Ashwin Shah, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2019-20 is annexed, which forms part of this report as Annexure-B. There were no qualifications, reservation or adverse remarks or disclaimers given by Secretarial Auditors of the Company.

Cost Audit Report

Your Company has re-appointed M/s. N. D. Birla & Co., Practicing Cost Accountants to conduct audit of cost records maintained for Petroleum Products of the Company for the year ended 31st March, 2021. The Cost Audit Report for the year 2018-19 was filed before the due date with the Ministry of Corporate Affairs.

The Company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014.

Particulars of Employees

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as Annexure-C.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as Annexure-D.

Acknowledgment

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, respective State Government, Financial Institutions and Banks. Your Directors thank all shareholders, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company. Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman
(DIN: 00006273)

Date: 08.05.2020
Place: Ahmedabad

Annexure - A to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 2020

[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:

CIN	:	L40100GJ2005PLC046553
Registration Date	:	5th August, 2005
Name of the Company	:	Adani Gas Limited
Category / Sub-Category of the Company	:	Company limited by shares
Address of the Registered office and contact details	:	Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, Gujarat, India Phone No. +91-79-26565555
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Private Limited C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083 Tel: +91 22 4918 6270 E-mail: rnt.helpdesk@linkintime.co.in

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:

Name and description of main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the Company
Natural Gas i.e. CNG/PNG	3520	98.68

III. Particulars of Holding, Subsidiary, Associate Companies:

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
IndianOil - Adani Gas Private Limited 306-309, 3rd Floor, Salcon Aurum, Plot No 4, Jasola District, New Delhi 110025	U40300DL2013PTC258690	Joint Venture	50%	2(6)

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity as on 31st March, 2020)

i) Category-wise Share Holding:

Category of Shareholders		No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	Promoter									
1	Indian									
a)	Individuals/HUF	200002	-	200002	0.02	200002	-	200002	0.02	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	99491719	-	99491719	9.05	-	-	-	-	(9.05)
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others	-	-	-	-					
	Family Trust	628534660	-	628534660	57.14	411132334	-	411132334	37.38	(19.76)
Sub Total (1)		**728226381**	**-**	**728226381**	**66.21**	**411332336**	**-**	**411332336**	**37.40**	**(28.81)**
2	Foreign									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	94437100	-	94437100	8.59	411331740	-	411331740	37.40	28.81
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)		**94437100**	**-**	**94437100**	**8.59**	**411331740**	**-**	**411331740**	**37.40**	**28.81**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**822663481**	**-**	**822663481**	**74.80**	**822664076**	**-**	**822664076**	**74.80**	**-**
B.	Public shareholding									
1	Institutions									
a)	Mutual Funds/ UTI	-	-	-	-	92409	-	92409	0.01	0.01
b)	Banks/FI	5261966	-	5261966	0.48	3560947	-	3560947	0.32	(0.16)
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	156521	-	156521	0.01	156521	-	156521	0.01	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-		-
i)	Any Other					-	-	-		
	Foreign Portfolio Investor (Corporate)	237470569	-	237470569	21.59	223762558	-	223762558	20.35	(1.24)
Sub-Total (B)(1)		**242889056**	**-**	**242889056**	**22.08**	**227572435**	**-**	**227572435**	**20.69**	**(1.39)**
2	Non-institutions	-	-	-	-					
a)	Bodies Corporate	-	-	-	-					
i	Indian	4351615	-	4351615	0.40	7675832	-	7675832	0.70	0.30
ii	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-				
I	Individuals shareholders holding nominal share capital up to ₹ 1 lakh	21938691	355418	22294109	2.02	34381674	269548	34651222	3.15	1.13
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	4924798	-	4924798	0.44	3065560	-	3065560	0.28	(0.16)

Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
c) Other (specify)	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	3621	-	3621	0.00	13821	-	13821	0.00	0.00
Clearing Member	629582	-	629582	0.06	788727	-	788727	0.07	0.01
Non Resident Indian (Repat)	803999	-	803999	0.07	849186	-	849186	0.08	0.01
Non Resident Indian (Non Repat)	239322	-	239322	0.02	282667	-	282667	0.02	0.00
Foreign Nationals	10000	-	10000	0.00	10000	-	10000	0.00	0.00
Corp. Body - Foreign Bodies	-	-	-	-	-	-	-	-	-
Trust	1600	-	1600	0.00	3625	-	3625	0.00	0.00
Hindu Undivided Family	1127814	26562	1154376	0.11	2188408	-	2188408	0.21	0.10
IEPF Authority	44524	-	44524	0.00	44524	-	44524	0.00	0.00
Sub-Total (B)(2)	**33875566**	**381980**	**34257546**	**3.12**	**49304024**	**269548**	**49573572**	**4.51**	**1.39**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**276764622**	**381980**	**277146602**	**25.20**	**276876459**	**269548**	**277146007**	**25.20**	**0.00**
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	**1099428103**	**381980**	**1099810083**	**100.00**	**1099540535**	**269548**	**1099810083**	**100.00**	**0.00**

ii) Shareholding of Promoters' / Promoters' Group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	
1.	Shri Gautam Shantilal Adani	1	-	-	1	-	-	-
2.	Shri Rajesh Shantilal Adani	1	-	-	1	-	-	-
3.	Rahi Rajesh Adani	100000	0.01	-	100000	0.01	-	-
4.	Vanshi Rajesh Adani	100000	0.01	-	100000	0.01	-	-
5.	Shri Gautam S. Adani/Smt. Priti G. Adani (on behalf of GSAFT[1])	8836750	0.80	-	8836750	0.80	-	-
6.	Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf of SBAFT[2])	619697910	56.35	-	402295584	36.58	-	(19.76)
7.	Adani Properties Private Limited	-	-	-	-	-	-	-
8.	Adani Tradeline LLP	99491719	9.05	-	-	-	-	(9.05)
9.	Flourishing Trade and Investment Limited	3688000	0.34	-	-	-	-	(0.34)
10.	Afro Asia Trade and Investment Limited	30249700	2.75	-	-	-	-	(2.75)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	
11.	Universal Trade and Investment Limited	30249700	2.75	-	-	-	-	(2.75)
12.	Worldwide Emerging Market Holding Limited	30249700	2.75	-	-	-	-	(2.75)
13.	Total Holdings SAS[3]	-	-	-	411331740	37.40	-	37.40

1. Gautam S. Adani Family Trust
2. S.B. Adani Family Trust
3. Pursuant to the Open Offer to the public shareholders of the Company, Total Holdings SAS had acquired 595 equity shares and also acquired control over the Company and has consequently become a 'promoter' of the Company, as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further pursuant to Share Purchase Agreement dated 14th October, 2019, Total Holdings SAS had acquired 37.40% stake of the Company on 28th February, 2020 from certain existing members of the promoter group of the Company.

iii) Change in Promoters'/Promoters' Group Shareholding:

Particulars	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	822663481	74.80	822663481	74.80
Market Purchase/ Sale#	595	0.00	595	0.00
At the end of the year	822664076	74.80	822664076	74.80

#Details of shares purchased/sold by Promoter/Promoter's Group companies during the year is as under:

SN	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Total Holdings SAS	-	-	14.01.2020	595	Acquisition through Open Offer	595	0.00
		-	-	28.02.2020	411331145	Market Purchase	411331740	37.40
2	Shri Gautam S. Adani/ Shri Rajesh S. Adani (on behalf of SBAFT[2])	619697910	56.35	28.02.2020	(217402326)	Market Sale	402295584	36.58
3	Adani Tradeline LLP	99491719	9.05	28.02.2020	(99491719)	Market Sale	-	-
4	Flourishing Trade and Investment Limited	3688000	0.34	28.02.2020	(3688000)	Market Sale	-	-
5	Afro Asia Trade and Investment Limited	30249700	2.75	28.02.2020	(30249700)	Market Sale	-	-
6	Universal Trade and Investment Limited	30249700	2.75	28.02.2020	(30249700)	Market Sale	-	-
7	Worldwide Emerging Market Holding Limited	30249700	2.75	28.02.2020	(30249700)	Market Sale	-	-

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

For each of the Top 10 Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Purchase	Sell	No. of Shares	% of total shares of the Company
Elara India Opportunities Fund Limited	54005288	4.91	305000	5457621	48852667	4.44
Cresta Fund Ltd	39696780	3.61	-	3558955	36137825	2.29
Albula Investment Fund Ltd	31827038	2.89	335193	1726496	30435735	2.77
APMS Investment Fund Ltd	26543252	2.41	737030	-	27280282	2.48
Vespera Fund Limited	20523239	1.87	746027	-	21269266	1.93
LTS Investment Fund Ltd	17580568	1.60	232303	10000	17802871	1.62
Nomura Singapore Limited	8811682	0.80	564073	21436	9354319	0.85
Asia Investment Corporation (Mauritius) Ltd	8146853	0.74	547555	-	8694408	0.79
Marshal Global Capital Fund Ltd.	6650267	0.59	26000	-	6514320	0.59
Life Insurance Corporation of India	4997267	0.45	-	2364572	2632695	0.24

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel:

For each of the Directors and KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Purchase	Sell	No. of Shares	% of total shares of the Company
Directors						
Mr. Gautam S. Adani[1 & 2]	1	-	-	-	1	-
Mr. Pranav V. Adani	-	-	-	-	-	-
Mr. Alexis Thelemaque[3]	-	-	-	-	-	-
Mr. Maheswar Sahu	-	-	-	-	-	-
Mr. Naresh Kumar Nayyar	-	-	-	-	-	-
Mrs. Chandra Iyengar	-	-	-	-	-	-
Key Managerial Personnel						
Mr. Suresh P Manglani[4] Chief Executive Officer	100	-	-	-	100	-
Mr. Parag Parikh[5] Chief Financial Officer	-	-	-	-	-	-
Mr. Gunjan Taunk Company Secretary	-	-	-	-	-	-

1. Gautam S. Adani/ Rajesh S. Adani (on behalf of S.B. Adani Family Trust) holds 402295584 (36.58%) shares of the Company.
2. Gautam S. Adani/ Priti G. Adani (on behalf of Gautam S. Adani Family Trust) holds 88,36,750 (0.80%) shares of the Company.
3. Mr. Alexis Thelemaque appointed as an Additional Director (Non-Executive, Non-Independent) of the Company w.e.f. 14th January, 2020.
4. Mr. Suresh P Manglani vacated the office as Director & Executive Director and appointed as Chief Executive Officer w.e.f. 5th February, 2020.
5. Mr. Parag Parikh appointed as Chief Financial Officer of the Company w.e.f. 25th September, 2019.

V. Indebtedness

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

(₹ in Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	393.97	-	-	393.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.97	-	-	2.97
Total (i+ii+iii)	**396.84**	**-**	**-**	**396.84**
Change in Indebtedness during the financial year				
• Addition (Principal & Interest)	75.33	-	-	75.33
• Reduction (Principal & Interest)	69.25	-	-	69.25
Net Change	**6.08**	**-**	**-**	**6.08**
Indebtedness at the end of the financial year				
i) Principal Amount	403.82	-	-	403.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.59	-	-	2.59
Total (i+ii+iii)	**405.61**	**-**	**-**	**405.61**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director and Whole-time Directors:

(₹ in Crores)

Sr No	Particulars of Remuneration	Mr. Suresh P Manglani, Executive Director[1]	Total Amount
1	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.25	2.25
	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	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others – contribution towards PF etc	0.18	0.18
	Total (A)	**2.43**	**2.43**
	Ceiling as per the Act	₹ 27.31 Crores (@ 5% of profit calculated as per Section 198 of the Companies Act, 2013)	

1. Mr. Suresh P Manglani vacated the Office as Director & Executive Director and appointed as Chief Executive Officer w.e.f. 5th February, 2020. Further remuneration details is for full financial year.

B. Remuneration to other Directors:

(₹ in Lakhs)

Particulars of Remuneration	Mr. Maheswar Sahu	Mr. Naresh Kumar Nayyar	Mrs. Chandra Iyengar	Total
1. Independent Directors				
a) Fee for attending board, committee meetings	10.50	9.25	8.75	28.50
b) Commission	12.00	12.00	12.00	36.00
c) Others, please specify	-	-	-	-
Total (1)	22.50	21.25	20.75	64.50
2. Other Non-Executive Directors: N.A.				

1. During the period under review, no remuneration was paid to Mr. Gautam S. Adani, Mr. Pranav V. Adani and Mr. Alexis Thelemaque as Directors of the Company.

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(₹ in Crores)

Sr No	Particulars of Remuneration	Mr. Suresh P Manglani[1] CEO	Mr. Parag Parikh[1] CFO	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.25	1.45	3.70
	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	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-		
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others – contribution towards PF etc	0.18	0.06	0.24
	Total (A)	2.43	1.51	3.94

1. Mr. Suresh P Manglani vacated the office as Director & Executive Director and appointed as Chief Executive Officer of the Company w.e.f. 5th February, 2020. Further remuneration details is for full financial year.
2. Mr. Parag Parikh appointed as Chief Financial Officer of the Company w.e.f. 25th September, 2019.
3. Mr. Gunjan Taunk, Company Secretary of the Company is not drawing any remuneration from the Company.

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in default					
Penalty			None		
Punishment					
Compounding					

Annexure - B to the Directors' Report

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,
The Members,
Adani Gas Limited

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

Based on my verification of 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 in the conduct of secretarial audit during the lockdown situation across the country due to pandemic of COVID 19, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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:

I 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, 2020 according to the provisions of:

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

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

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

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

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

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

d. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014 (Not Applicable to the Company during the Audit Period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

vi. Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:

Legislation Name
1. The Air (Prevention & Control of pollution) Act, 1981 & Rule, 1982
2. The Environment (Protection) Act 1986.
3. The Explosives Act, 1884.
4. The Gujarat State Disaster Management Act, 2003.
5. The Petroleum and Natural Gas Regulatory Board Act, 2006.
6. The Water (Prevention & Control of pollution) Act, 1974
7. The Hazardous Waste (Management & Handling) Rules, 2016
8. The Batteries (Management and Handling) Rules, 2001 as amended 2010
9. The E-waste (Management and Handling) Rules, 2016

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India.

b. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

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

1. Passed a special resolution for Appointment of Mr. Suresh P Manglani (DIN: 00165062), as an Executive Director of the Company for a period of 5 years w.e.f. 22nd October, 2018.

2. Passed a special resolution to raise funds for a sum not exceeding ₹ 3,000 crores.

3. Passed a special resolution under Regulation 26(2) (b) and (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for availing a loan, in the nature of an unsecured, perpetual loan not exceeding INR equivalent of US Dollars 350 million by the Company from Adani Properties Private Limited and/or Adani Rail Infra Private Limited and/or Adani Infra India Limited in terms of a loan agreement to be entered into between the Company and/or Adani Properties Private Limited and/or Adani Rail Infra Private Limited and/or Adani Infra India Limited.

CS Ashwin Shah
Company Secretary
C. P. No. 1640

Date: 08.05.2020
Place: Ahmedabad
UDIN: F001640B000209672

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Annexure - A
to the Secretarial Audit Report

To,
The Members
Adani Gas Limited

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

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

CS Ashwin Shah
Company Secretary
C. P. No. 1640

Date: 08.05.2020
Place: Ahmedabad
UDIN: F001640B000209672

Annexure - C to the Directors' Report

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2019-20:**

Name of Directors / KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
Non-Executive Directors		
Mr. Gautam S. Adani	-	-
Mr. Pranav V. Adani	-	-
Mr. Alexis Thelemaque[1]	-	-
Mr. Maheswar Sahu[2]	2.11 : 1	-
Mr. Naresh Kumar Nayyar[2]	1.99 : 1	-
Mrs. Chandra Iyengar[2]	1.94 : 1	-
Key Managerial Personnel		
Mr. Suresh P Manglani, CEO[3]	22.80 : 1	61.29%
Mr. Parag Parikh, CFO[4]	14.17 : 1	-
Mr. Gunjan Taunk, CS	-	-

1. Appointed as an Additional Director (Non-Executive, Non-Independent) w.e.f. 14th January, 2020.
2. Reflects sitting fees and commission.
3. Vacated the Office as Director & Executive Director and appointed as Chief Executive Officer w.e.f. 5th February, 2020.
4. Appointed as Chief Financial Officer w.e.f. 25th September, 2019.

ii) **The percentage increase in the median remuneration of employees in the financial year:** 14%

iii) **The number of permanent employees on the rolls of Company:** 390 as on 31st March, 2020.

iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

- Average increase in remuneration of employees excluding KMPs: 16.01%
- Average increase in remuneration of KMPs: 61.29%
- KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms remuneration is as per the Remuneration Policy of the Company.

Annexure - D to the Directors' Report

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

Information as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

(A) Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

a) Continuous efforts are put to maintain the electrical power factor at CNG stations at desired level to achieve efficient use of electric energy.

b) Deployed Type 3 CNG cascades: Type 3 CNG cascades provide the most weight-efficient gas storage capacity. Your Company has deployed such cascades for CNG transportation, which has resulted in transporting more CNG per trip thereby reducing number of trips and resultant reduction in fuel required for transportation

(ii) Steps taken by the company for utilizing alternate sources of energy:

Solar energy is used at some of the DRS locations.

(iii) Capital investment on energy conservation equipment: Not Applicable

(B) Technology Absorption:

(i) The efforts made towards technology absorption;

1. **SCADA:** Company has sustained and enhanced its SCADA system across all City Gate Stations, CNG stations, DRS & Cathodic Protection Transformer Rectifier Units. Company has its plans in place for including all the upcoming new geographical areas under the ambit of SCADA.

2. **GIS:** The pipeline network laid are being mapped in GIS on an ongoing basis, contributing to monitoring and maintaining the pipeline network more proficiently. Data enhancement activities such as completeness of network mapping, land base updation, incorporating addresses of buildings, accuracy enhancements based on surveys etc. are being undertaken as continuous endeavours. User specific functions such as hyperlinking drawings/ documents to features, layers visibility control, functionality to indicate on-going third-party activities and outage manager are being introduced in the GIS. The GIS also continues to provide useful information of pipeline network for regular monitoring, repair and maintenance as well as emergency handling.

3. **AMR system for I&C Customers:** To strengthen the safety of operations and provide improved services to customers in a more efficient manner, AGL has implemented Automated Meter Reading (AMR) system for all its Industrial & Commercial customers.

4. **My Adani Gas:** AGL has launched a mobile application named 'My Adani Gas'. A digital ecosystem/ platform which helps in collaborating with partners & stakeholders such as Customers, Vendors, Contractors and Employees. This facilitates PNG Domestic Customers to upload gas meter readings, identify meter readers, download forms like registration and name change forms, and for CNG customers to locate nearby CNG filling stations. This enables Field Sales Officer and Third-Party Inspector to complete the customer onboarding digitally. It provides the full digital self-service channel of interaction for Customers from service request to account statement. It will provide the platform to collaborate with vendors, acquire new vendors, enable vendors/ contractors for service orders and track progress on service orders & manage their performance.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

Your Company is continuously improving on technology front. Entire billing of CNG has been shifted from manual to SCADA software. Further in domestic segment, the Company has introduced SPOT billing mechanism. Migrated to Syclo system, which is linked to SAP ERP, to enable operator to log, resolve, requisite all activates related to O&M, customer care from remote location.

Moving to SCADA software for billing will save man hours and will have accuracy in billing. By introducing SPOT billing, the cost of meter reading and collection will be reduced significantly. By implementing Syclo system manpower time is saved and efficiency can be improved.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported: NA

(b) the year of import: NA

(c) whether the technology been fully absorbed: NA

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

(iv) The expenditure incurred on Research and Development: NA

(C) Foreign Exchange Earnings and Outgo:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

(₹ in Crores)

Particulars	2019-20	2018-19
Foreign exchange earned	-	-
Foreign exchange outgo (including import of goods on CIF basis)	7.59	1.49

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Annexure to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out/ implemented its CSR activities / projects mainly through Adani Foundation. The Company has identified Primary Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for CSR activities. The CSR Policy has been uploaded on the website of the Company at http://www.adanigas.com.

2. Composition of the CSR Committee:

- Mr. Maheswar Sahu, Chairman
- Mr. Pranav V. Adani, Member
- Mr. Alexis Thelemaque, Member
- Mrs. Chandra Iyengar, Member

3. Average net profit of the Company for last three financial years:

Average net profit: ₹ 260.36 Crores

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company was required to spend ₹ 5.21 Crores towards CSR.

5. Details of CSR spend for the financial year:

a) Total amount spent for the financial year: ₹ 5.21 Crores

b) Amount unspent, if any: Nil

c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Crores)

S N	Projects/ Activities	Sector	Location	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs		Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on projects or programs	Overheads		
1	Adani Vidya Mandir – Ahmedabad	Education	Ahmedabad, Gujarat	3.50	3.50	-	14.32	Through Adani Foundation
2	Municipal School Empowerment Program	Education	Udupi, Karnataka	-	-	-	1.00	--do--
3	Education Scholarship for Bright Students	Education	Udupi, Karnataka	0.25	0.23	-	0.23	--do--

(₹ in Crores)

S N	Projects/ Activities	Sector	Location	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or programs		Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on projects or programs	Overheads		
4	Encouraging Poor Students by distributing School kits	Education	Ahmedabad, Gujarat	0.50	0.48	-	0.48	--do--
5	G-Auto Project	Sustainable Livelihood	Ahmedabad, Gujarat	-	-	-	0.26	--do--
6	Medical Support to very Needy People	Community Health	Ahmedabad, Gujarat	1.00	1.00	-	1.40	--do--
	Total			5.25	5.21	-	17.69	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof: Not Applicable

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.

8. Details of CSR programme

Adani Foundation is the CSR, sustainability and community outreach arm of Adani Group which was established in 1996. Adopting an approach that employs innovation, people participation and collaboration with key stakeholders, the foundation is striving to achieve inclusive growth across 2315 villages in 18 states, touching the lives of over 3.4 million annually. It aims to bring about holistic development of communities through initiatives in 4 core areas, namely Education, Health, Sustainable Livelihood Development and Community Infrastructure.

Adani Gas Limited has contributed ₹ 5.21 crores towards Corporate Social Responsibility (CSR) activities during the year 2019-20. On behalf of the AGL, Adani Foundation implemented the CSR initiatives through one of its flagship initiatives, Adani Vidya Mandir, Ahmedabad as well as Udupi Scholarship and Udupi Education Kit Programmes. These initiatives draw inspiration from the philosophy that education is the most powerful and proven means for ensuring sustainable development in the society. To ensure equitable learning opportunities, it was decided that the CSR contributions be utilized in the Education vertical. A detailed account of these initiatvies is given below.

1. Adani Vidya Mandir

The Adani Vidya Mandir, currently operational in Ahmedabad (Gujarat), Bhadreshwar (Gujarat) and Surguja (Chhattisgarh) provide cost-free quality education to 2201 meritorious students from economically weaker sections of the society. Qualified handpicked staff along with their continual training and capacity building is central to these schools.

All three Adani Vidya Mandirs provide the students with uniforms, books and stationery. With a sharp focus on the overall development of children, the schools have successfully created a benchmark in the cost-free model of education, as recognised by the Quality Council of India (NABET Accreditation).

The Adani Vidya Mandir in Ahmedabad admits meritorious children who belong to weaker economic sections in the city. Adani Vidya Mandir in Bhadreshwar caters to children mostly from the fisher folk families and the school in Surguja largely reaches out to children in the tribal communities. All the three schools were recognised and appreciated at the recently held Samagra Shiksha Empowering Awards 2020, for providing quality and value-based primary education to the underprivileged. This prestigious recognition from the Government of

India reflects the consistency and coherence in Adani Foundation's vision for imparting holistic education to more and more children in India.

2. **Scholarship Programme**

A total of 832 meritorious students (out of 946 applications received who met criteria) residing around the Udupi Power Corporation Ltd plant (within the limits of 12 Gram Panchayats) were conferred the Adani Scholarships amounting to ₹ 23.00 lakhs. Student who had scored 80% and above were eligible to secure this scholarship. This scholarship was granted for use on levels like SSLC, Diploma, PUC, Graduation, Post-Graduation and for courses including but not limited to engineering, medical and nursing.

3. **Education Kits Programme**

To encourage students belonging to economically deprived background in rural areas to continue with their education and go to school, Udupi Power Corporation Ltd along with Adani Foundation, distributed quality education kits. These were given to students studying in Kannada medium government schools and government aided schools in the Udupi district. The kit included a bag, slates, notebooks, geometry box and umbrella.

A total of 6436 students from 77 Schools benefited from this distribution which amounted to ₹ 48.00 lakhs. The initiative instilled a positive sentiment amongst the beneficiaries and lead to an increase in students' strength in the government schools. For this, the teams on ground received appreciation from the Department of Education as well as the District Administration of Udupi district.

4. **Medical Support during COVID19**

As the world battles the highly contagious novel coronavirus, AGL supported the local government bodies and supplied medical kits to them. A total of 2230 units of PPE Kits, 480 pieces of N95 masks and 25000 pieces of 3 Ply masks were distributed to healthcare workers and other frontline workers in Ahmedabad.

Gautam S. Adani
Chairman

Maheswar Sahu
Chairman- CSR Committee

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Annexure to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview

Indian Economy

The GDP of the Indian Economy is estimated to grow at 4.2% in FY 2019-20, as compared to 6.1% in FY 2018-19.[1] India is ranked the 5th largest economy in the world, in terms of GDP, valued at US$ 2.9 trillion in 2019. The softening growth during the year under review was on account of multiple headwinds including a slowdown in gross fixed capital formation and private consumption expenditure. The economy was anticipated to revive in FY 2020-21 but, the outbreak of COVID-19 has altered the growth outlook for the country. The outlook for Indian economy remains subdued at 1.9% for FY 2020-21, with revival expected in FY 2021-22 when growth is expected to touch 7.4%. The muted growth can be attributed to weak global demand and a lockdown imposed in the country which has resulted in complete disruption of the demand-supply chain. The revival in FY 2021-22 will be on the back of various government reforms to revive growth of the economy.

Industry Overview

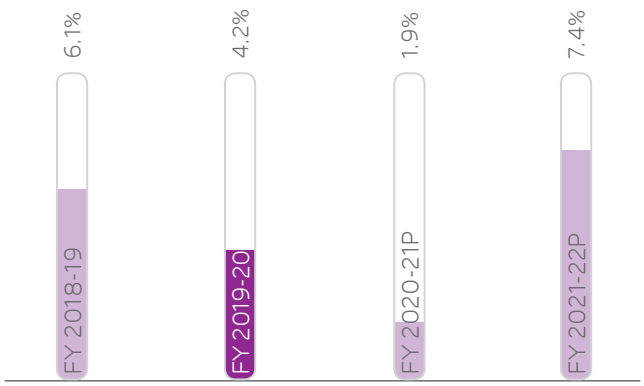
Global Natural Gas Industry

Natural gas is the cleanest among available fossil fuels. It is used as feedstock for manufacturing fertilizers, plastics and other commercially important organic chemicals. It is also used as a fuel for electricity generation and for heating purposes in industrial and commercial units. Natural gas is also used for cooking in households and as a transportation fuel for vehicles.

Global demand for energy is increasing rapidly, owing to population increase and economic growth, especially driven by emerging market economies. Energy security concerns may also arise as energy consumption increases. Consumption of natural gas has gone up worldwide and is projected to increase from 3,702 billion metres (Bcm) in 2017 to 6,154 Bcm[2] by 2050 (For details refer graph 2), supported by broad-based demand, abundant low-cost supplies, and the increasing availability of gas globally, aided by the growing supply of Liquefied Natural Gas (LNG).

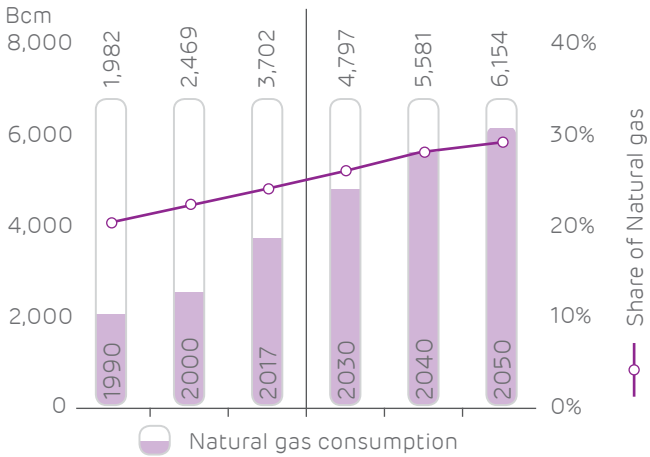
Natural gas remains a key fuel for the power sector and other industrial sectors. In the power sector, natural gas is an attractive choice for new generating plants due to its enhanced fuel efficiency. Natural gas is also cleaner than coal or petroleum products, significantly reducing carbon dioxide emissions. Countries, all over the world, have started to implement national or regional plans to reduce carbon dioxide (CO_2) emissions, encouraging the use of natural gas to displace carbon-intensive coal and liquid fuels.

Graph 1: GDP growth rate in India



(Source: IMF WEO)

Graph 2: Global natural gas consumption



[Source: IEEJ Outlook 2020]

[1] IMF WEO

[2] https://eneken.ieej.or.jp/data/8650.pdf

It is expected that around 88% of the 2,452 Bcm natural gas consumption growth between 2017 and 2050 will be accounted for in the emerging markets and developing economies and their share of global natural gas consumption will expand to 68% by 2050. Countries such as China, India, and the Middle East and North Africa region (MENA) region, among the emerging markets and developing economies, are most likely to post remarkable growth in this segment. However, challenges remain and it will be critical to overcome them to sustain the rapid growth of gas markets in future. Some of the challenges include:

- **Cost competitiveness -** Global gas market growth has demonstrated that gas is an abundant resource with increasingly competitive pricing. But local market regulations and infrastructure constraints in some countries still limit the competitive usage of gas.
- **Security of supply -** Supply continued to grow and become more diverse, supported by greater and more flexible gas liquefaction capacity. Yet the limited scale of investment in cross-border pipelines continue to limit access to gas and deter growth in some markets.
- **Sustainability -** Government policies continued to recognize the role of gas in reducing GHG (Green House Gas) intensity and improving local air quality, spurring further gas market development. Improving carbon footprint by changing the energy mis of the country.

Indian Gas Industry

Currently natural gas accounts for relatively less percentage in the total energy mix due to its low per capita consumption. Despite good infrastructure coverage, pan-India penetration remains low, compared to other emerging markets. However, the government has set an ambitious target of increasing the share of natural gas from 6.2% to 15% by 2030, in the total energy mix. Moreover, with favourable government policy and increasing consumption of gas, penetration level and per capita consumption is expected to increase.

India currently ranks among the top energy consumers in the world. According to BP Energy Outlook 2019, India is the world's third-largest energy consumer after the USA and China. It is projected that the country's energy consumption will jump from the current 6% to 11% by 2040 and is expected to cross China as the largest energy consumption market by 2020.[3] With India's population and GDP expected to grow in future, energy demand will see a significant rise, leading to associated greenhouse gas (GHG) emissions as well.

In line with these developments, numerous policy measures are being discussed, focused on increasing access to energy and aimed to keep emissions in check. The population of India is expected to grow to 1.44 billion by 2024 from 1.35 billion in 2019.[4] With the increase in population, demand for energy is also expected to increase. The increased consumption is expected to result in an alteration of the primary energy mix, on account of a growing substitution of oil by natural gas.

Globally It is projected that the US and China will be the two largest individual contributors to supply growth of natural gas by 2024, together accounting for over 50% of total production increase. However, due to strong domestic demand, increase in production will only meet this increased demand in case of China. With the United States, Australia and Russia together accounting for the vast majority of gas exports growth by 2024, exports are likely to be concentrated in some regions

Looking at LNG specifically, the market is set to undergo profound changes in the coming years. China and India are likely to emerge as major LNG buyers, while also increasing imports to Europe. On the supply side, the emergence of a trio of leading exporters will result in United States leading the supply by 2024, followed by Australia and Qatar.

- Global Liquefaction Capacity ~430 MTPA,
- Global LNG regasification capacity ~920 MTPA
- Global LNG Trade grew at a 13.0% rate.[5]

In India, demand for natural gas is projected to grow at a CAGR of 7-10% between FY 2019-24.[6]

- The likely main growth drivers of natural gas in near future are Significant expansion in city gas network
- Higher demand from the fertilizer sector with revival of several inactive fertilizer plants (enabled by expanded gas pipeline network) and government's drive to convert naphtha-based plants to gas-based
- Low spot LNG prices to boost industrial demand (global LNG market to stay oversupplied at least till CY21)
- Surge in industrial demand with stricter controls by the National Green Tribunal (already ordered Central Pollution Control Board to take action in more than 69 areas) on polluting units

[3] https://economictimes.indiatimes.com/industry/energy/oil-gas/natural-gas-consumption-to-rise-3-folds-in-10-yrs-for-15-target-pradhan/articleshow/72382676.cms?from=mdr

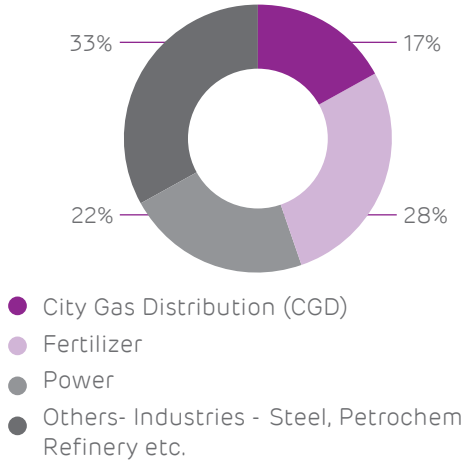
[4] https://www.statista.com/statistics/263766/total-population-of-india/

[5] IGU Report

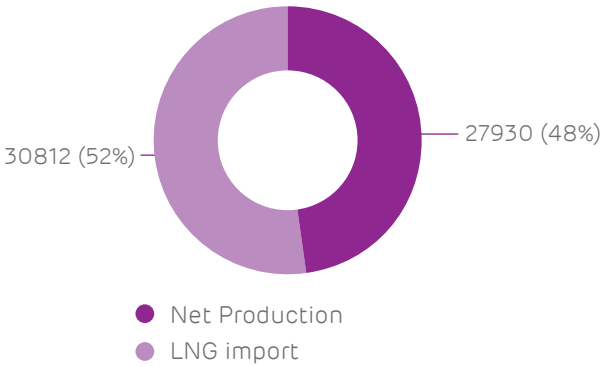
[6] India Gas Sector – Credit Suisse

- Higher utilization of gas-based power plants in the event of LNG prices sliding further
- Increased gas requirements will result in higher LNG imports in the short to medium term
- Opportunity for developing small-scale LNG supply, as liquefied-to-compressed natural gas (LCNG) station development may take place in regions where access to gas pipeline is not guaranteed
- Availability of natural gas will trigger its usage in place of polluting energy sources. Strict pollution control standards are expected to impose bans on polluting fuels across sectors
- The new MOPNG license guidelines for transportation fuels will also boost the opening up of new CNG stations across the country leading to increase in availability and use of natural gas

Graph 3: Sector-wise gas consumption in FY 2018-19

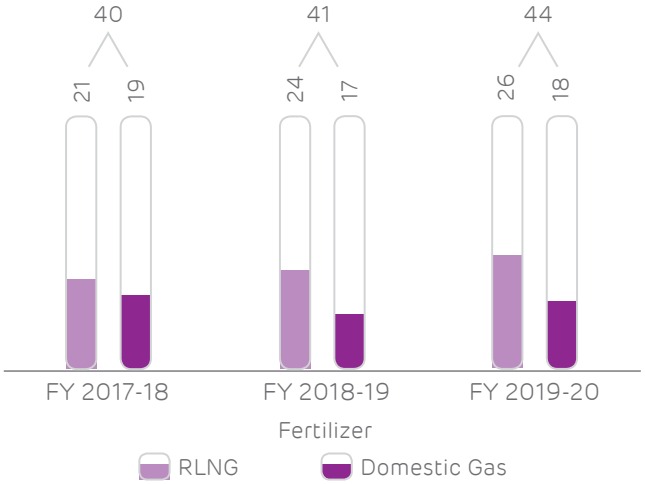


Graph 4: Natural Gas Consumption in MMSCM (including internal consumption), 2019-20 (Till March, 2020)

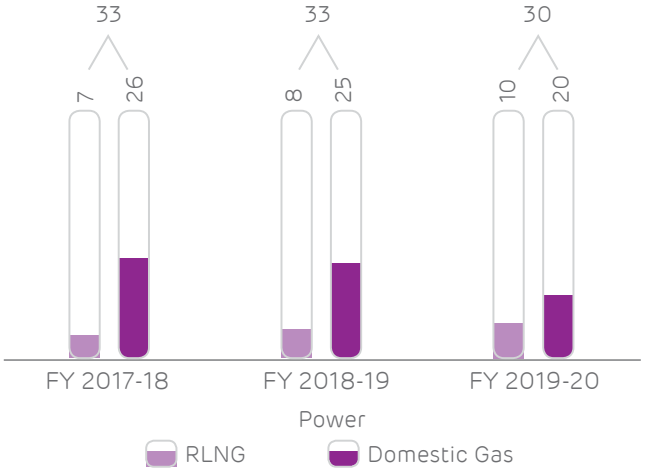


Total Consumption
(Net Production + LNG import) 58742

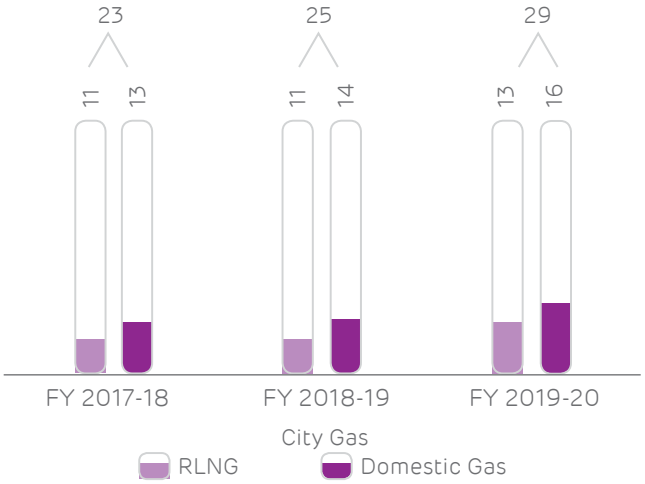
Graph 5: India Sectorwise Gas Consumption in MMSCMD



Graph 6: India Sectorwise Gas Consumption in MMSCMD

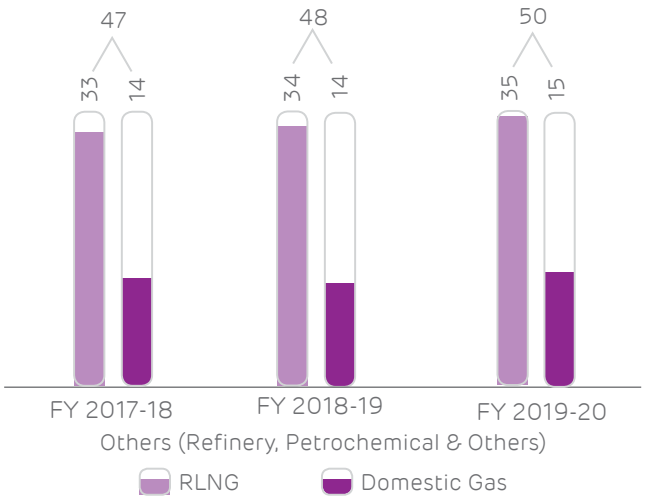


Graph 7: India Sectorwise Gas Consumption in MMSCMD



All graph sourced from PPAC

Graph 8: India Sectorwise Gas Consumption in MMSCMD



Natural Gas Grid and City Gas Distribution Sector Outlook

To promote the usage of natural gas as a fuel/feedstock across the country and move towards a gas-based economy, the government of India has initiated the development of additional gas pipelines to complete the Natural Gas Grid (NGG). Presently, the NGG predominantly connects the western, northern and south-eastern gas markets with major gas sources. The government has also approved a capital grant of ₹ 5,176 crore (40 per cent of the estimated capital cost of ₹ 12,940 crore) under Pradhan Mantri Urja Ganga, as part its commitment to provide clean energy in the eastern part of the country.[7]

City gas distribution (CGD) networks supply compressed natural gas (CNG) for vehicles and piped natural gas (PNG) for domestic, industrial and commercial use. The CGD sector has relatively high affordability and has the capacity to absorb higher gas prices, as compared to the power and fertilizer sectors. Usage of natural gas has proved to be economical vis-a-vis competing fuels, for most user segments within the CGD space. The Government of India strongly emphasizes the need for expanding City Gas Distribution (CGD) coverage across the country, to make natural gas available to a larger section of the population.

Only around 19% of the country's population, spreading over 11% of the country's area, was covered for development of CGDs in 96 geographical areas till 2017. However, to boost the CGD sector, the 9th round of CGD Bidding was launched in April, 2018 for 86 Geographical Areas (GAs), covering 174 districts in 22 States/ Union Territories of the country. This round saw participation from 38 entities (Public and Private) and submitted a total of 406 bids for all 86 GAs. Presently, 84 GAs have been authorized for the development of CGD networks. Another round of CGD bidding for 50 GAs was initiated in November, 2018 and it laid the foundation for the development of CGDs in 50 newly authorized GAs, covering 124 districts spreading over 14 States/UTs. With the conclusion of the 10th round, about 70% of the country's population is being covered by CGD networks spreading over 50% of India's total area.

The CGD sector is one where demand has remained in few pockets where CGD infrastructure was available. More than ~80 % of the PNG Connections are in Delhi, Maharashtra and Gujarat along with ~76 % of the CNG Stations and ~87 % of CNG powered Vehicles.

India has ~278 mn active LPG users with an annual consumption of 23.0 mn tons of LPG (FY20E) as against 6.0 mn PNG users providing a lucrative market. (Source: PPAC)

Natural gas demand for CGD sector is expected to rise steadily due to the addition of gas networks in new cities, price advantage of CNG and increased use of PNG in domestic, industrial and commercial sectors. Environmental concerns will further push the use of natural gas, especially in the automotive and industrial segment (coal replacement). Demand for natural gas from CGD networks has consistently increased over the last few years and stood at ~30 mmscmd (~16.5% of the total gas demand) in FY 2019-20 (Up to February, 2020). As of March, 2020, 2200 CNG Stations, 6.07 Million domestic connections and ~41,000 industrial and commercial connections.

National Gas Grid - The Government has envisaged the development of a National Gas Grid. At present, about 16,200 Km[8] natural gas pipeline is operational and it is expected to increase to 27,000 km to increase the availability of natural gas across the country. The objectives of the grid would be:

- To remove regional imbalance
- To connect gas sources to major demand centers
- Development of City Gas Distribution Networks in various cities for the supply of CNG and PNG

City Gas Distribution (CGD) network - Petroleum and Natural Gas Regulatory Board (PNGRB) grants the authorization to develop a City Gas Distribution (CGD) network (including PNG network) in a specified Geographical Area (GA) of the country.

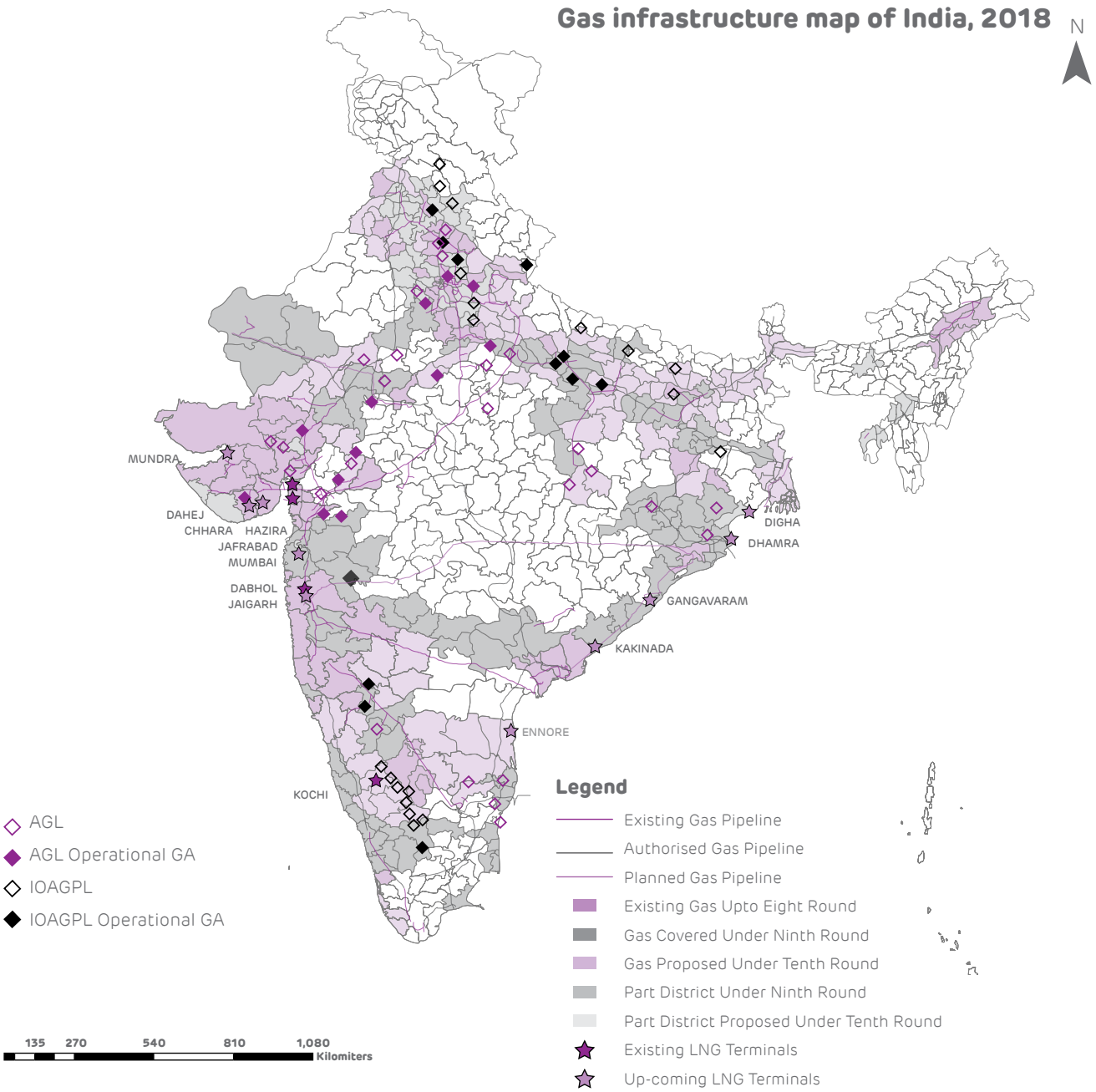
[7] PPAC

[8] https://economictimes.indiatimes.com/industry/energy/oil-gas/gas-grid-to-be-expanded-to-27000-km-pricing-reforms-in-offing/articleshow/73851426.cms?from=mdr

All graph sourced from PPAC

- CGD sector has four distinct segments - Compressed Natural Gas (CNG) predominantly used as auto-fuel, and Piped Natural Gas (PNG) used in domestic, commercial and industrial segments
- The revised regulatory framework helped in expanding the coverage of CGD to 228 GAs spread over 406 districts with the potential to cover about 53% of the country's area and 70% of the country's population, with an aim to make environment-friendly fuel like CNG/PNG available to the public
- It has been decided to meet 100% gas requirement of CNG and PNG Domestic segments through the supply of domestic gas which is cheaper than imported gas

Snapshot of AGL Portfolio -38 GAs (Incl. IOAGPL)



Regulatory & Policy Support

Draft city gas distribution policy – A draft city gas distribution policy has been released by the Ministry of Petroleum and Natural Gas to facilitate speedy implementation of city gas distribution (CGD) networks and value-added services.

- The draft policy suggests that under the chairmanship of the chief secretary a committee will be formed to help formulate policies and streamline processing of permissions required to develop the CGD infrastructure
- This will help to set up a single-window clearance mechanism in the state for the promotion and development of CGD infrastructure and to improve ease of doing business
- A suitable mechanism would be introduced by the committee for permissions from state divisions of the Petroleum and Explosives Safety Organization, NHAI, railways, etc.
- CNG/LNG will become the preferred fuel in public transportation. State transport corporations will accord priority to CNG/LNG buses while purchasing new buses and for retrofitting it to the present alternate fuel fleet (which is viable), in order to actively promote the usage of CNG/LNG in public transport
- To ensure affordable and reasonable rates, VAT rates may be reviewed and rationalized with a ceiling of 5%
- To promote the safe usage of CNG/LNG in the transport sector, state policy thrust may be used to rationalize road tax for factory-fitted CNG/LNG vehicles and to bring them at par with electric vehicles

Investment plan of $60 billion[9] – The government of India has set an ambitious target to increase the share of environment-friendly fuel to 11% from 6% in the country's energy basket. To do this, an estimated investment of $60 billion is underway, to build a gas pipeline and terminal infrastructure that is nearing completion or remains in advanced stages of completion. The investment is going to be used for building LNG import terminals, laying pipelines and expanding city gas distribution networks to facilitate the usage of non-polluting fuels. This move will have a dual advantage of utilizing a cleaner as well as a cheaper fuel (when compared with liquid fuels like diesel and furnace oil), and could help steer India towards a 'low carbon future'.

SATAT initiative - It aims to set up Compressed Bio-Gas (CBG) production plants and make available CBG in the market for use in automotive fuels. It will promote better use of agricultural residue, cattle dung and municipal solid waste along with providing an additional revenue source to farmers.

Interim Union Budget Grants - The Ministry of Petroleum and Natural Gas has been allocated ₹ 42,901 crore for 2020-21. The allocation for the ministry has remained unchanged from the revised estimates for the year 2019-20. Of the total allocation, the subsidy on LPG is the largest component of the Ministry's expenditure, including approximately 87% of the allocation.

Company Overview

Adani Gas is in the business of developing City Gas Distribution (CGD) Networks to supply Piped Natural Gas (PNG) to industrial, commercial, domestic users and Compressed Natural Gas (CNG) to the transport sector. With over 15 years of experience, the Company has forayed into the Gas Distribution Business with an objective of providing safe, convenient, reliable and environment-friendly fuel.

The Company has city gas distribution networks in Ahmedabad & Vadodara in Gujarat, Faridabad in Haryana and Khurja in Uttar Pradesh. AGL has started Commercial Operations in 8 GAs allotted under the 9th Round of CGD Bidding by PNGRB namely Navsari, Porbandar, Barwala, Kheda, Surendranagar in Gujarat, Udaipur in Rajasthan, Palwal and Mahendragarh in Haryana. Further, the Company has also started Commercial Operations in 1 out of 2 GA allotted under 10th Round of GCD Bidding by PNGRB i.e Bhind, Madhya Pradesh. As on March 31, 2020, the Company has 115 CNG filling stations providing gas to over a million vehicles. The Company also supplies PNG to over 0.44 million PNG customers, through a connected pipeline network that spans over 7,600 kms, including 470 km of steel and 7,130 km of polyethylene pipeline.

[9] https://economictimes.indiatimes.com/industry/energy/oil-gas/natural-gas-consumption-to-rise-3-folds-in-10-yrs-for-15-target-pradhan/articleshow/72382676.cms?from=mdr

SWOT Analysis

Strengths

- Established brand presence and recall
- Excellent project execution capabilities
- Established natural gas supply network in Ahmedabad, Faridabad, Khurja and Vadodara for over a decade
- Experienced senior management and leadership team along with competent and committed workforce focused on delivering excellence in operations and customer service
- Track record of growth in volumes, revenue and margins
- Strong Parentage i.e. Adani Group and TOTAL Group enabling AGL to leverage their expertise and experience in expanding its operations
- HSE: Safety first in everything we do at AGL

Opportunities

- Favourable government policies and regulation leading to rising consumption of Natural Gas
- Growing demand for natural gas from domestic customers and the commercial sector owing to increasing population and growing number of commercial establishments
- Large base of Geographical Areas (19) provides an opportunity to increase the customer base manifold coupled with additional opportunities for expansion of CNG and PNG network by participating in bidding process for new CGD areas

Weakness

- Operation of the Company restricted to the defined geographical boundaries (GA)
- Due to regulatory provision, the Company is not allowed to sell PNG to large industrial unit >50,000 SCMD within its GA

Threat

- The Company operates in a highly competitive environment with stiff competition from consumption of alternate fuel Increase in cost price of natural gas by MoPNG
- Changes in rules and regulations regarding import of natural gas
- Change in gas allocation policy by Government / regulatory changes like split into carrier and supply business

Financial and Operational Performance

The growth in revenue from operations and profitability was supported by growth in overall sales volume which grew by 8% YoY to 582.21 MMSCM in FY 2019-20. The sales volume of CNG grew by 5% to 291.60 MMSCM while PNG sales volume grew by 10% to 290.61 MMSCM in FY 2019-20. During the year under review, the Company was also able to expand it footprints to connect 56,167 new domestic households to PNG leading to increase in customers base to 0.44 million households. It also added 756 new industrial and commercial customers thereby increasing its total customer base to 4,458 industrial and commercial units. The Company also increased its CNG station from 82 in FY 2018-19 to 115 in FY 2019-20.

New GAs Operational Performance update

- Permission of 350+ KM are already in place for laying Steel Pipeline
- Steel Pipeline laying carriedout in full swing in most of the GAs
- 24 CNG Stations commissioned
- Office Location for all GAs Idenetified and most of the location offices made functional

Table 4: Summary of key financial metrics and key ratio

Key Metrics	FY 2019-20	FY 2018-19
Revenue from Operations (₹ in crore)	1,991	1,823
Operating EBITDA (₹ in crore)	595	455
PBT (₹ in crore)	547	357
PAT (₹ in crore)	436	229
EPS (₹ per share)	3.97	2.08

Key Ratios	FY 2019-20	FY 2018-19	YoY Change	Explanation
Debtors Turnover (Times)	26.04	15.35	10.69	Due to increase in revenue from operations and reduction in debtors
Inventory Turnover (Times)	24.86	25.38	(0.51)	NA
Interest Coverage Ratio (Times)	14.33	5.28	9.06	Due to increase in Operating profit and reduction in Interest
Current Ratio (Times)	0.94	1.37	(0.43)	Due to Security Deposit classified as Current Liabilities
Debt Equity Ratio	0.27	0.36	(0.24)	NA
Operating Profit Margin (%)	29.9%	24.9%	500 bps	NA
Net Profit Margin (%)	21.4%	12.0%	940 bps	Due to Higher Operating profit and change in the tax structure
Return on Net worth (%)	33.79%	23.20%	1,059 bps	Due to Higher Net Profit for FY20

Financial and Operational Performance Highlights of the Joint Venture Company – Indian Oil Adani Gas Private Limited (IOAGPL)

IndianOil-Adani Gas Pvt. Ltd. (IOAGPL) is a joint venture company of Indian Oil Corporation Limited (IOC) – a Maharatna Company of Government of India and Adani Gas Ltd. (AGL), a leading city gas distribution company and part of Adani Group – a well-diversified business Group in private sector engaged in infrastructure development.

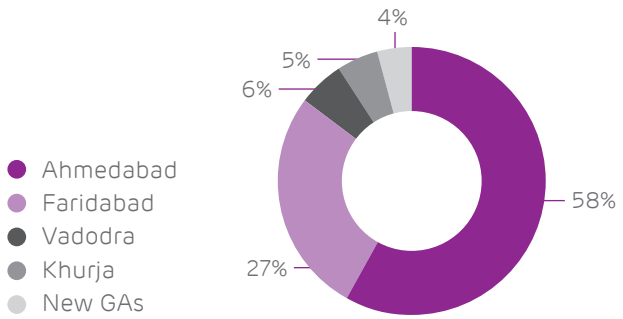
IOAGPL has been formed to implement City Gas Distribution projects across the country for distribution of environment friendly fuel (Natural Gas) through network of underground pipelines.

IOAGPL is currently having 19 GAs Authorisation across India.

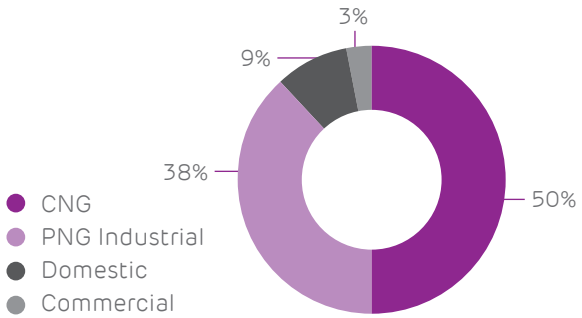
- The revenue from operation grew by 89% YoY to ₹ 309 crore in FY 2019-20 from ₹ 163 crore in FY 2018-19
- EBITDA grew by 85% YoY from ₹ 31 crore in FY 2018-19 to ₹ 58 crore in FY 2019-20
- Sales volume grew by 240% from 27.40 MMSCM in FY 2018-19 to 93.23 in FY 2019-20

Adani Gas Business Analysis at a Glance:

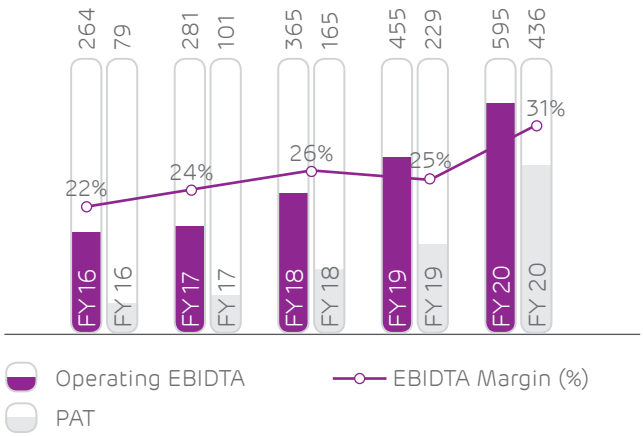
Graph 9: City Wise Volume Break-Up FY 2019-20



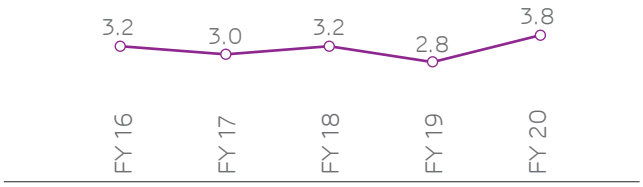
Graph 10: Segment Wise Volume Break-Up FY 2019-20



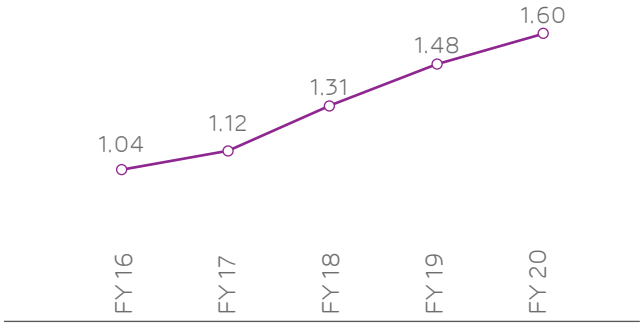
Graph 11: Operating EBITDA and PAT trend



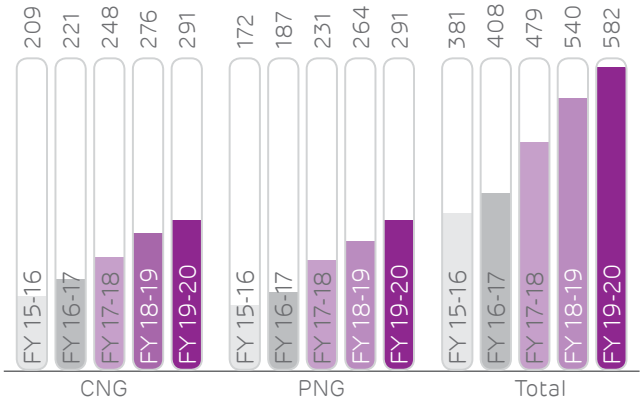
Graph 12: OPEX (₹ / SCM)



Graph 13: Yearly sales volume trend (MMSCMD)



Graph 14: CNG/PNG sales volume (MMSCM)



Safety First - At AGL

AGL is committed to ensure continuity of natural gas supply & reliability of services to its customers and committed to demonstrate continual improvement in our Quality, Occupational Health, Safety & Environmental (QHSE) management.

"Safety first in everything we do at AGL" is an integral part of AGL culture. AGL firmly believes that all types of injuries, illness & incidents are preventable. Nothing is more important to our overall success than our employees going home safe, each day. Safety is not a priority – it is a pre-condition for an Organizational behaviour.

AGL takes seriously, its responsibilities to conduct its operations with proper regard for the environment and to the health and safety of all those involved in its operation and the public at large. We ensure compliance to legal and regulatory requirements through software-based tracking system.

AGL has established its Integrated management system (IMS) & accredited for the ISO 9001 Quality Management System, ISO 14001 Environmental Management System and BS OHSAS 18001 Occupational Health and Safety assessment Series. Regular internal and external audits have been conducted to verify the adherence and effectiveness of the system and procedure. AGL has determined and provided the resources needed for the establishment, implementation, maintenance and continual improvement of the QHSE Management System through process chart, QHSE system procedure and management program as required

AGL has defined Ten (10) "Life Saving Safety Rules" based on Business specific high risk & past incident history. Rules are framed to target and reinforce critical behaviours and processes that ensure safety performance, particularly in high risk areas of the business. Awareness on Life saving rules are being through audio visual training to all employees and contractors.

AGL has been conducting HAZOP & QRA studies for its CGD business through PNGRB approved third party. It aims to pro-actively identify hazards and take actions to prevent & mitigate the risks.

AGL is having well-structured training program for different stakeholders. Safety induction training is imparted to all employees & contractors. Safety, technical & Operation competency (STOC) training is given to all contractor employees. Employees and contractors are trained on Permit to work, Job Safety analysis & other critical HSE procedures. PETZL Rope access system training is imparted to plumbers doing high risk riser job at height.

AGL has established, implemented and maintained the processes needed to prepare for and respond to potential emergency situation identified including actions to address risks and opportunities. AGL has well established Emergency Response and Disaster Management Plan (ERDMP) for all Geographical Areas. Emergency response drills are conducted periodically, and lessons are communicated, and corrective actions are ensured. ERDMP Plan is updated and certified as per PNGRB requirements. The company has established procedures to ensure that there is an appropriate response to unexpected or accidental incidents. AGL has Area Emergency Offices equipped with all resources for timely response to any type of emergency. It is working 24X7 along with our customer care team.

AGL encourages all its employees and stakeholders to report safety concerns/hazards/near misses & other incidents through Mobile/web-based Incident reporting system. All incident/accidents are promptly & transparently being reported. The lesson learnt from near misses and incidents are shared with all employees and contractors to ensure similar incident are prevented.

Asset Integrity: AGL ensures that its assets perform reliably and safely throughout various stages of their Life cycle. It is achieved through risk-based inspections, surveillance and monitoring of the network 24/7 and compliance with respect to PNGRB IMS and T4S regulations. Integrity Management System (IMS) is in place for all geographical areas. AGL has developed a comprehensive IMS manual in line with PNGRB regulation 2013. Regular audit (once in 3 years) on ISM/T4S conducted by 3rd party as per PNGRB and compliance is-in-place. Asset integrity blueprint chalked out to ensure AGL assets provides business continuity without compromising on safety.

AGL is actively participating in celebrations like National Safety Week, Road Safety Week, Environment Day, Fire Safety Week to increase awareness among employees, contractors and stakeholders.

AGL also increases safety awareness of its customers by organizing Industrial Safety awareness program, sharing CNG Safety tips, distributing Do's & Don'ts for Domestic safety. Special awareness drives are also conducted through social media & radio.

Some of the Key Highlights for FY 2019-20 are:

- During FY 2019-20, AGL has put massive training efforts and imparted 30000 man-hours of training to its people & stakeholders.
- A comprehensive program on Contractor HSE assessment and enhancement (Parivartan- a Green Cap program) has been launched in 2019-20. Third party HSE capability assessment carried out for AGL contractors.
- Implemented Safety Risk Field audit for contractor safety audit in order to check contractor safety compliance on weekly basis.
- Vulnerability Safety Risk Study completed for AGL to identify the high-risk areas. Action plan has been chalked out to further reduce risk in critical activities.
- AGL has aligned to Adani Group safety initiatives on Safety Governance and Process Organization i.e. formation of business safety council, 5 task forces for enhancing safety systems. Functioning of Group Steering Council, Group Taskforces, Business Safety Councils and Site Safety Councils and layered safety taskforces provided a structured platform to discuss safety concerns and improvement strategies.
- 3rd party baseline comprehensive asset integrity audit completed for all operational assets. This would help to improve the asset quality/HSE/performance significantly.
- Special campaign on "Dial before Dig" rolled out to prevent third party damages to our assets. Awareness program through radio & social media, team building initiatives with other utility companies & corporation bodies are few initiatives of this campaign.
- AGL implemented structured behaviour-based Safety program "Suraksha Samwaad" to achieve positive change in people's behaviour towards safety.
- HSE SOP and technical standard compendium prepared and reviewed with TOTAL Group JV partner.
- There have been no fatalities reported during the year. There have been 30% increase in Near miss/hazard reporting in last 8 months. All incident/accidents are promptly & transparently being reported.

Development Plans for newer Geographical Areas

The Company has already commenced its project activities of developing infrastructural network in the 13 awarded GAs during 9th bidding round and 2 GAs awarded in 10th bidding round. AGL has adopted a multipronged strategy for developing a successful implement action plan. The salient features of execution strategy are as detailed below: -

1. **Pivotal Approach**

   Though the Minimum Work Program is spread over 8 years, lot of ground work will be required to create launch pad in first 3 years for easy roll out in later period. AGL's focus will therefore be to create necessary Steel pipeline infrastructure in first 3 years.

   All necessary ground work for advancing to market was completed aggressively in FY 19-20. Tap-offs from transmission grid or Plan to setup Small Scale LNG Plant in the GAs currently not connected to Pipelines finalized in all GAs, GSA & Hook-up agreement finalized with transporter, CGS land parcel finalized, Agreement with OMCs such as IOCL/BPCL/HPCL signed to set-up CNG facilities at their Retail-outlets in respective State/GAs. Statutory permissions for pipelines, CNG Stations were also processed.

2. **Early Geographical Penetration**

   This will advance reach of Adani Gas to Domestic, Commercial, Industrial and CNG markets in respective areas. Simultaneously pockets for Domestic connection, potential low hanging industrial/Commercial connections will be studied and Medium Pressure PE pipeline will be aggressively laid in these identified pockets for realizing Domestic, Commercial and Industrial connection in these areas. It's going beyond MWP in search of markets.

   Current Progress:

   - Land for Setting up CGS and Small scale LNG Plants have been finalized in almost all GAs. Civil work started for setting up CGS facilities in Chittorgarh, Bhilwara, Kheda, and contractor mobilized for Navsari & Surendranagar and under commencement at all other GAs.
   - Along with Co-located stations at OMC locations major public advertisement drive was initiated and accordingly 23 LOI issued in various New Gas. CAPEX commitment for New GAs which include Procurement of land, Procurement of Steel and MDPE Pipeline, Booster Compressors, Dispenser, CGS Skids & various service contracts etc.

3. **LNG Satellite facility (LCNG/LPNG Route) – Filling the Connectivity Gap**

   AGL has also been innovatively exploring options to fast track revenue realization. The GA's where the main gas pipeline connectivity is not yet available, LNG Satellite facilities (LCNG) are planned. LCNG will get LNG from nearby LNG plants and after regasification LCNG facility would feed the downstream network. For LCNG facilities land parcels has been identified, permissions are in process and equipment/plant ordered.

   A LNG Satellite facility planned in Cuddalore, Nagapatinam & Tiruvarur Districts GA and Tiruppur Districts GA to cater to the initial gas demands in the GA due to non-availability of Pipeline connectivity and Domestic Gas in the notified GA.

4. **CNG Roll Out – Delinking Pipeline Progress**

   Focus will be on making operations commercial. Entire strategy will be towards early monetization, establishing market eco system and optimizing on cost effective operation. The project roll out & related activities will be strategized to make operations start commercially. Early monetization strategy focusing on encashing monetary gains from existing market and eco system and generate early revenue.

   As explained above in this FY 19-20 AGL could establish CNG footprints in New GAs and started commercial operation, delinking CNG from network which focus on to Fastrack revenue generation.

   - Focus on setting up Mother stations at CGS locations
   - Working on HUB & Spoke Model by setting up LNG Satellite stations to cater to the Daughter booster stations
   - Use of Type 3/ Type 4 Cascades (composite cylinders with larger carrying capacity) to reach distance areas in the Geographical areas.
   - Collaborative approach with OMCs to set up Co-located CNG stations
   - Development of dedicated CNG Dealer Network in the Geographical areas which shall act as the brand flag bearers for AGL
   - Use of compression facilities from nearby operating CGD entities to cater CNG Stations
   - CNG stations to connect on SCADA from the inception to help monitoring of the stations

6. **Manpower – Hiring the Helping Hands**

   Key to this ambitious MWP roll out strategy is manpower requirement. Adani Gas Limited is well

placed in this regard. Company has well trained & experienced manpower at existing operations. Adani Gas has planned to leverage the existing experience to do all basic ground work such as route survey, demand assessment, EIA study, basic engineering for its first 3-year aggressive roll out strategies for all GAs. Accordingly, all the ground work is being done by leveraging existing manpower for initiating inquiries for procurement on all fronts.

During the year simultaneously mix and match of quality & experience manpower along with freshers & senior executive are recruited. With this new recruitment, total manpower strength of AGL stands at 390.

7. Corporate Strengthening – Sustained Support

From project execution point of view 4 key reinforcement identified for effective MWP roll outs at corporate level are:

a) Bracing up Human Resources - As for ambitious roll out across all GAs is concerned, recruitment drive with HR resources reinforcement has successfully achieved.

b) Center of Excellence (Technical) – For standardization of processes, specifications, it was required to form Center of Excellence Team-Technical. The team has been strengthened in this area to oversee this function and benchmark to standardize technical requirements across all GAs.

c) Realigning existing experience resources to new GAs to create blended Teams with existing experience and newly recruited resources. This is helping company to achieve faster execution with new Ideas and Innovation.

d) Project Management – Centralized Project Management office (Centre of excellence) – for uniform project monitoring and control in all the GA's and for standardized the project management processes established.

Thus, after award of 13 GAs of 9th PNGRB bidding in Month of September-2018 and 2 GAs of 10th PNGRB bidding in Month of March-2019, a strategic comprehensive view is taken by AGL Leadership Team. Not only that after identifying needs and requirements for MWP roll out by leadership team of AGL and entire groundwork is ready for reaching market in majority of GAs in FY 20-21.

Key Business Highlights

Acquisition of 37.4% equity stake by TOTAL Group

One of the major highlights for FY 2019-20 was a secondary acquisition of 37.4% equity stake by TOTAL Group in Adani Gas. The acquisition was marked as India's largest Downstream Energy Partnerships. The main rationale behind the acquisition is to cater the ever-growing demand in the Indian market across LNG, Fuel Retail and City Gas distribution. This will enable AGL to get access to competitive gas supplies from a global natural gas company as well as provide opportunities to strengthen its business model with backward integration in terms of major equipment needed in CGD infrastructure..

For other Business Highlight please refer to 'Our Business Segment' on page 20 for more details

Supervisory Control and Data Acquisition system (SCADA)

AGL is a pioneer in implicating SCADA in CGD. SCADA is already implemented at Ahmedabad, Vadodara and Faridabad. As a management strategy AGL will operate on all new GAs on SCADA from its inception. For this AGL has already initiated strengthening of the SCADA architecture & development of AG&NC (Adani Gas Nerve Centre) which will act as the central command & monitoring centre for all the 19 GAs.Going forward SCADA will not be limited to the central command centre but will be extended to the remotest point of each individual desktops/Laptops with the help of web platform for prompt actions. SCADA will also play a pivotal role in providing Real Time data flow for preventive & forecast analytics.

The system is customized to meet the requirements of Project and Maintenance engineers and make digital Eco system to ensure real time monitoring of data. With the help of SCADA system various operational challenges are addressed in all segments of CGD business detailed as below:

CNG: Compressed Natural Gas – This segment supplies natural gas to vehicles. Compressor & Dispenser are the key gas assets of this segment. All the parameters related to process and link with revenue, these assets are monitored centrally through SCADA software also in case of emergency this system can be isolated centrally through Master Control Room.

PNG: Piped Natural Gas – This segment caters the domestic, industrial & commercial customers. The DRS (District regulating station) is the key gas asset for distributing gas in above segments. SCADA helps in monitoring all the filed parameters like pressure, temperature and meter reading of DRS located strategically throughout the city.

CGS: City Gate Stations are generally equipped with control of pressure and flow parameters with wireless communication. The SCADA controls flow and pressure parameters to facilitate the farthest consumer to receive the gas at desired pressure and flow rate.

In addition, SCADA systems are needed to monitor and control a large geographical displacement where an organization may not have enough manpower to cover.

Thus, reliable communication and operability of these areas or sites is critical to profitability.

Automation & Technology

As a part of its next journey – AGL 2.0, on digitization and automation, Adani Gas started its digital journey with Project Adani Delight. The project is aimed at digitization of Process Across AGL Functions. Under the roadmap, under this project, AGL has already launched the Empowering Community Program to enable Students, Housewives, Senior Citizens to be an ambassador of Adani Gas and providing referral prospects.

With increasing penetration of internet and rising smartphone users, AGL has launched a mobile application, My Adani Gas, A digital ecosystem/ platform which helps in collaborating with partners & stakeholders such as Customers, Vendors, Contractors and Employees. My Adani Gas streamlines complete sales process from Inquiry registration to commissioning for domestic, Industrial & Commercial Customers. This enables Field Sales Officer and Third-Party Inspector to complete the customer onboarding digitally. It provides the full digital self-service channel of interaction for Customers from service request to account statement. It will provide the platform to collaborate with vendors, acquire new vendors, enable vendors/ contractors for service orders and track progress on service orders & manage their performance.

In the journey of making AGL a Smart and Digital Utility company, AGL is aimed to automate maximum processes and operations to leverage technology benefits to add up the bottom line, Build the Adani Gas Nerve Centre – a Central Digital Command Centre for better monitoring, control the business operations and quick decision making.

Human Resource Strategy

AGL is a fast-growing organization and has set new benchmarks by becoming the largest CGD Company in India w.r.t geographical areas. In the face of this agile growth, we at AGL have strived to build a high performing culture by recognizing and rewarding exemplary performance and merit.

In AGL, we ensure that both development and progress are sustainable and all-encompassing; for the people and the environment alike, which is in line with our philosophy of Courage, Trust & Commitment. We believe in promoting inclusiveness, ownership, pride & respect in employees to increase their motivation and engagement at an intrinsic level.

Entire workforce of Adani Gas exhibits One Team spirit & works collectively together to meet the organisational goals.

Over a period, Adani Gas has developed various unique and best in class practices and embraced an effective operating model that has helped to build our COE in – Organization development / effectiveness, Talent Management, Learning & Development and Talent Acquisition.

Talent Acquisition

With high precision resource planning and talent acquisition strategy, we ensure that the organization maintains a lean workforce that is highly competent to achieve our business goals and ensure that the organization moves towards being a leader in the Gas sector. We focus on talent that has competence, sense of responsibility, go getter attitude and ability to collaborate well.

Learning Culture

Over and above the statutory trainings, we incessantly invest in developing both the technical and behavioural/ managerial skills of our employees in order to ensure a highly engaged and high performing workforce is maintained. Using e-learning platforms, the learning culture has been further augmented across all the employees in AGL.

Talent Management

We ensure that our employees have well defined goals and areas of responsibility based on which their performance is evaluated for each year. The entire process is well defined, robust and transparent which ensures fairness of the entire process. The process starts with the Goal Setting exercise at the start of the financial year and ends with the year-end appraisal process.

Risk and Concern

- Regulatory Regime

  The City Gas Distribution is under regulatory regime wherein the Regulatory Board (PNGRB) has framed various regulations, which have ramifications on day to day business, operations of the CGD entity. The changes in the regulations may act as facilitators for healthy business in CGD sector.

- Non-availability of Natural Gas

  Our natural gas supply requirements for CNG and PNG (Domestic) are met by the allocation of domestic natural gas based on priority sector by MoPNG at a price determined in accordance with the New Domestic Natural Gas Pricing Guidelines 2014 ("Pricing Guidelines"). Any reduction in allocation of domestic natural gas may have an adverse effect on our business, results of operations and cash flows.

- Foreign Currency Risk

  The price of domestic natural gas and RLNG is denominated in USD, while the selling price is in Indian Rupees. If we are unable to pass on the cost to the

extent of any devaluation of the Indian Rupee to our customers on a timely basis our business, results of operations and cash flows could be adversely affected.

- **Competition from Alternate Fuels**

  The Company's customers also have an alternative to move towards other alternate fuels if there is a cost advantage and under these situations, it would impact its business. CNG constitutes around 50% of the total sales volume of the Company and it is very much competitive compared to alternate fuels i.e. petrol and diesel.

- **Safety Risk**

  The CGD network / system are designed in line with the T4S (Technical Standards and specifications including Safety Standards) regulations laid down by PNGRB. All the existing networks of AGL are compliant to T4S regulations and have been certified so by the independent consultants empanelled with PNGRB.

  Robust Integrated Management systems, Risk Assessment, Work permit system & periodic audits will ensure that adequate controls are in place to ensure risk in the construction as well as the operations phase is reduced to "As Low As Reasonably Practicable" (ALARP)

Internal Control Systems

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives who carry out extensive audit throughout the year, across all functional areas and submit reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

Some Key Features of the Company's internal controls system are:

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- MA&AS department prepares Risk Based Internal Audit scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- The entire internal audit processes are web enabled and managed on-line by Audit Management System.
- The Company has a strong compliance management system which runs on an online monitoring system.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis
- The Company uses Enterprise Resource Planning (ERP) System (SAP) to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Apart from having all policies, procedures and internal audit mechanism in place, Company periodically engages outside experts to carry out an independent review of the effectiveness of various business processes and invite suggestions for process improvements
- Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy & effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies & systems.

Cautionary Note

Statements on the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Annexure to the Directors' Report

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

Courage, Trust and Commitment are the main tenants of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses. Take calculated risks in pursuing new and big business opportunities.
- **Trust:** we shall standby our promises and adhere to high standards of business.
- **Commitment:** we shall believe in our employees and other stakeholders.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

2. Board of Directors

The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on 31st March, 2020 board comprises 6 (Six) Directors out of which 3 (Three) Directors are Non-Executive, Non-Independent and remaining 3 (Three) are Independent Directors. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 (seven) Listed Companies. Further, none of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2020.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations.

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2020 are as under:

Name and Designation (DIN) of Director	Category	No. of other Directorships held[1] (Other than AGL)	No. of Board Committees[2] (other than AGL) in which Chairman / Member.	
			Chairman	Member
Mr. Gautam S. Adani Chairman (DIN: 00006273)	Promoter Non-Executive	5	-	-
Mr. Pranav V. Adani Director (DIN: 00008457)	Promoter Non-Executive	7	-	2
Mr. Alexis Thelemaque[4] Director (DIN: 00165062)	Non-Executive & Non- Independent	-	-	-
Mr. Maheswar Sahu Director (DIN: 00034051)	Non-Executive (Independent)	7	-	1
Mr. Naresh Kumar Nayyar Director (DIN: 00045395)	Non-Executive (Independent)	-	-	-
Mrs. Chandra Iyengar Director (DIN: 02821294)	Non-Executive (Independent)	2	-	2

Notes:

1. The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Limited Companies, which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2020, none of the Directors of the Company were related to each other.
4. Appointed as an Additional Director of the Company w.e.f. 14th January, 2020.
5. During the year under review, Mr. Suresh P Manglani vacated the office as Director & Executive Director and appointed as Chief Executive Officer of the Company w.e.f. 5th February, 2020.
6. Mr. Pranav V. Adani doesn't hold active executive role in the management of day-to-day business affairs of the Company. Accordingly, category of the Mr. Pranav V. Adani has been changed from Executive to Non-Executive.

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31st March, 2020 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani	Adani Enterprises Limited	Promoter & Executive
	Adani Ports and Special Economic Zone Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Power Ltd.	Promoter & Non-Executive
	Adani Green Energy Ltd.	Promoter & Non-Executive
Mr. Pranav V. Adani	Adani Enterprises Limited	Promoter & Executive
Mr. Alexis Thelemaque	-	-
Mr. Maheswar Sahu	-	-
Mr. Naresh Kumar Nayyar	-	-
Mrs. Chandra Iyengar	Shriram Asset Management Company Limited	Non-Executive & Independent

Board Meetings and Procedure

The internal guidelines for Board / Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information are being circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering Finance, major business segments and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

8 (Eight) Board Meetings were held during the financial year 2019-20. The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2019-20 are as follows:

27th May, 2019, 7th August, 2019, 25th September, 2019, 14th October, 2019, 12th November, 2019, 17th December, 2019, 5th February, 2020 and 19th March, 2020.

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/ Items which are not permitted to be transacted through video conferencing.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2019-20		Attended Last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	8	7	Yes
Mr. Pranav V. Adani	8	7	Yes
Mr. Suresh P Manglani[1]	7	7	Yes
Mr. Alexis Thelemaque[2]	2	2	N.A.
Mr. Maheswar Sahu	8	8	Yes
Mr. Naresh Kumar Nayyar	8	8	Yes
Mrs. Chandra Iyengar	8	8	Yes

1. Vacated Office as Director & Executive Director of the Company w.e.f. 5th February, 2020.
2. Appointed as an Additional Director of the Company w.e.f. 14th January, 2020.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10 (j) of schedule V of the SEBI Listing Regulations.

During the year under review, the Board of Directors of the Company has adopted / amended / approved changes in Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other Employees; Related Party Transaction Policy; Policy for determining Material Subsidiaries; and Code of internal procedures and conduct for regulating, monitoring and reporting of Trading by Insiders to comply with the recent amendments in the Companies Act, 2013 and SEBI Listing Regulations. Accordingly, the updated policies are uploaded on website of the Company at https://www.adanigas.com.

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and asses the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the company's strategy and evaluate operational integration plans
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholders interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

Name of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr. Gautam S. Adani	Y	Y	Y	Y	Y	Y	Y
Mr Pranav V. Adani	Y	Y	Y	Y	Y	Y	Y
Mr. Alexis Thelemaque	Y	Y	Y	Y	Y	N	Y
Mr. Maheswar Sahu	Y	Y	Y	Y	Y	N	Y
Mr. Naresh Kumar Nayyar	Y	Y	Y	Y	Y	Y	Y
Mrs. Chandra Iyengar	Y	N	Y	N	Y	N	N

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, both the existing Independent Directors and those who are proposed to be re-appointed at the Annual General Meeting, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

Notes on Directors appointment / re-appointment

Brief resume(s) of the Directors proposed to be appointed / re-appointed are given in the Explanatory Statement annexed to the Notice convening the Annual General Meeting.

3. Committees of The Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date, the Board has established the following Committees:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Corporate Social Responsibility Committee
E. Risk Management Committee
F. Securities Transfer Committee

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by the management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions
   g) Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Statement of deviations :
   a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
   b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

Meetings, Attendance & Composition of the Audit Committee

During the financial year 2019-20, Five meetings of the Audit Committee were held on 27th May, 2019, 6th August, 2019, 25th September, 2019, 12th November, 2019 and 5th February, 2020.

The details of the Audit Committee meetings attended by its members during the FY 2019-20 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2019-20	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu	Chairman	Non-Executive & Independent	5	5
2	Mr. Naresh Kumar Nayyar	Member	Non-Executive & Independent	5	5
3	Mrs. Chandra Iyengar	Member	Non-Executive & Independent	5	5
4	Mr. Suresh P Manglani[1]	Member	Executive	5	5

1. Mr. Suresh P Manglani vacated the office as Director & Executive Director w.e.f. 5th February, 2020. Accordingly ceased as a Member of the Audit Committee with effect from said date.

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meeting is attended by the Internal Auditors, Statutory Auditors and head of finance.

Mr. Gunjan Taunk, Company Secretary and Compliance Officer act as a Secretary of the Committee.

The Chairman of the Audit Committee attended the last Annual General Meeting (AGM) held on 6th August, 2019 to answer shareholders' queries.

B. Nomination and Remuneration Committee

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

Terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of directors;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
7. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To perform such other functions as may be necessary or appropriate for the performance of its duties.
9. To recommend to the board, all remuneration, in whatever form, payable to senior management.

Meeting, Attendance & Composition of the Nomination & Remuneration Committee

During the financial year 2019-20, Three meetings of the Nomination & Remuneration Committee were held on 6th August, 2019, 25th September, 2019 and 5th February, 2020.

The details of the Nomination & Remuneration Committee meetings attended by its members during the FY 2019-20 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2019-20	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu	Chairman	Non-Executive & Independent	3	3
2	Mr. Naresh Kumar Nayyar	Member	Non-Executive & Independent	3	3
3	Mrs. Chandra Iyengar	Member	Non-Executive & Independent	3	3
4	Mr. Gautam S. Adani[1]	Member	Non-Executive Promoter	3	3
5	Mr. Pranav V. Adani[2]	Member	Non-Executive Promoter	-	-
6	Mr. Alexis Thelemaque[2]	Member	Non-Executive & Non-Independent	-	-

1. Ceased as a Member of the Nomination Remuneration Committee w.e.f. 5th February, 2020.
2. Appointed as Members of the Nomination Remuneration Committee w.e.f. 5th February, 2020.

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at its subsequent Board Meetings.

Mr. Gunjan Taunk, Company Secretary and Compliance Officer act as a Secretary of the Committee.

Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i) **Remuneration to Non-Executive Directors**

The remuneration by way of commission to the non-executive directors is decided by the Board of Directors and paid to them based on their participation and contribution in the affairs of the Company as well as the valuable time spent on Company's matters. The Board of Directors at its meeting held on 22nd October, 2018 approved the payment of remuneration by way of commission to the Non-Executive directors other than promoter directors of the Company and the Members at the Annual General Meeting held on 6th August, 2019 approved, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 5 years commencing 22nd October, 2018. In addition to commission, Non-Executive Directors are paid ₹ 50,000/- as sitting fees for attending meeting of Board of Directors & Audit Committee and ₹ 25,000/- for attending meeting of Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee & actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

The Company has also taken a Directors' & Officers' Liability Insurance Policy.

The Executive and Promoter Group Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees. Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive and Independent Directors of the Company. The Company has not granted stock options to Non-Executive and Independent Directors.

The details of sitting fees and commission paid to Non-Executive and Independent Directors for the Financial Year 2019-20 are as under:

(₹ In Lakhs)

Name of Directors	Sitting Fees paid during FY 2019-20		Commission	Total
	Board Meeting	Committee Meeting		
Mr. Maheswar Sahu	4.00	6.50	12.00	22.50
Mr. Naresh Kumar Nayyar	4.00	5.25	12.00	21.25
Mrs. Chandra Iyengar	4.00	4.75	12.00	20.75

1. None of the Non-Executive & Independent Directors are holding any shares of the Company.

During the period under review, no remuneration was paid to Mr. Gautam S. Adani, Mr. Pranav V. Adani and Mr. Alexis Thelemaque as Directors of the Company.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

ii) **Remuneration to Executive Directors.**

The remuneration of the Executive Directors is duly approved by the Board of Directors based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations and is decided by the Board of Directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the shareholders.

Details of the remuneration paid / payable to the Executive Directors of the Company during the financial year 2019-20 are as under:

(₹ In Crores)

Name & Designation of Directors	Salary	Perquisites & Allowances	Commission	Total
Mr. Suresh P Manglani Executive Director[1]	2.25	0.18	-	2.43

1. Vacated the Office as a Director & Executive Director and appointed as Chief Executive Officer w.e.f. 5th February, 2020. Further remuneration details is for full financial year.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Executive Chairman, Managing Director and Executive Director.

The Company has not granted stock options to the Managing / Executive Directors or Employees of the Company.

The aforesaid Executive Directors, so long as they function as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.

Mr. Gautam S. Adani / Mr. Rajesh S. Adani (on behalf of S.B. Adani Family Trust) and Mr. Gautam S. Adani / Mrs. Priti G. Adani (on behalf of Gautam S. Adani Family Trust) hold 40,22,95,584 and 88,36,750 Equity Shares of the Company respectively. Mr. Gautam S. Adani hold 1 Equity Share of the Company.

Except above, none of Directors of the Company holds equity shares of the Company in their individual capacity. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

C. Stakeholders' Relationship Committee

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and SEBI Listing Regulations.

Terms of Reference:

1. To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Reviewing the measures taken for effective exercise of voting rights by shareholders.

3. Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Reviewing the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During the financial year 2019-20, four meetings of the Stakeholders' Relationship Committee were held on 27th May, 2019, 6th August, 2019, 12th November, 2019 and 5th February, 2020.

The details of the Stakeholders' Relationship Committee meetings attended by its members during FY 2019-20 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2019-20	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu	Chairman	Non-Executive & Independent	4	4
2	Mr. Naresh Kumar Nayyar	Member	Non-Executive & Independent	4	4
3	Mr. Pranav V. Adani	Member	Non-Executive Promoter	4	3
4	Mr. Alexis Thelemaque[1]	Member	Non-Executive & Non-Independent	-	-

1. Appointed as a Member of the Stakeholders' Relationship Committee w.e.f. 5th February, 2020.

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

The Minutes of the Shareholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the year under review, 06 (Six) investors' complaint were received. There is 01 (One) pending investor grievance as on 31st March, 2020. Response was submitted on 10th April, 2020.

D. Corporate Social Responsibility ("CSR") Committee

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 and rules framed there under.

Terms of reference:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;

2. To recommend the amount of expenditure to be incurred on the CSR activities.

3. To monitor the implementation of framework of CSR Policy.

4. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Composition, Meetings and Attendance of CSR Committee

During the financial year 2019-20, two meetings of the CSR Committee were held on 27th May, 2019 and 12th November, 2019.

The details of the CSR Committee meetings attended by its members during FY 2019-20 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2019-20	
				Held during the tenure	Attended
1	Mr. Maheswar Sahu	Chairman	Non-Executive & Independent	2	2
2	Mrs. Chandra Iyengar	Member	Non-Executive & Independent	2	2
3	Mr. Pranav V. Adani	Member	Non-Executive Promoter	2	1
4	Mr. Alexis Thelemaque[1]	Member	Non-Executive & Non-Independent	-	-

1. Appointed as Member of CSR Committee w.e.f. 5th February, 2020.

Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the CSR Committee Meetings at subsequent Board Meetings.

Mr. Gunjan Taunk, Company Secretary and Compliance Officer act as a Secretary of the Committee.

CSR Policy

The CSR Policy of the Company is available on its website at http://www.adanigas.com.

E. Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the SEBI Listing Regulations.

The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

Terms of reference:

1. To review the Company's risk governance structure, risk assessment and minimization procedures and the guidelines, strategies and policies for risk mitigation on short term as well as long term basis.
2. To monitor and review the risk management plan of the Company.
3. To review the current and expected risk exposures of the organization, to ensure the same are identified, qualitatively and quantitatively evaluated, analyzed and appropriately managed;
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
5. To review cyber security function of the Company.

Composition, Meetings and Attendance of Risk Management Committee

During the financial year 2019-20, one meeting of the Risk Management Committee Committee Meeting was held on 5th February, 2020.

The details of the Risk Management Committee meeting attended by its members during FY 2019-20 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2019-20	
				Held during the tenure	Attended
1	Mr. Pranav V. Adani	Chairman	Non-Executive Promoter	1	1
2	Mr. Maheswar Sahu	Member	Non-Executive & Independent	1	1
3	Mr. Suresh P Manglani[1]	Member	Executive	1	1
4	Mr. Alexis Thelemaque[2]	Member	Non-Executive & Non-Independent	-	-

1. Vacated the Office as a Director & Executed Director and appointed as Chief Executive Officer of the Company w.e.f. 5th February, 2020.
2. Appointed as a Member of Risk Management Committee w.e.f. 5th February, 2020.

The Company has a risk management framework to identify, monitor and minimize risks.

The Quorum of the Committee is of two members.

Mr. Gunjan Taunk, Company Secretary and Compliance Officer act as a Secretary of the Committee.

F. Securities Transfer Committee

In order to provide efficient and timely services to investors, the Board of Directors has delegated the power of approving transfer/transmission of Company's Securities, issue of duplicate share / debenture certificates, split up / sub-division, and consolidation of shares, issue of new certificates on re-materialization, sub-division and other related formalities to the Securities Transfer Committee.

No requests for transfers of any Securities are pending as on 31st March, 2020 except those that are disputed and / or sub-judiced.

Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy is uploaded on the website of the Company at http://www.adanigas.com. During the year under review, there were no cases of whistle blower.

Investor Services

M/s. Link Intime India Private Limited are acting as Registrar & Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

a) Name, Designation and Address of the Compliance Officer:

Mr. Gunjan Taunk,
Company Secretary and Compliance Officer

Adani Gas Limited
"Adani House", Near Mithakhali Six Roads,
Navarangpura, Ahmedabad – 380 009
Gujarat, India,
Tel No.(079) 25555 555, 26565 555,
Fax No. (079) 26565 500, 25555 500.
E-mail ID: investor.agl@adani.com

4. General Body Meetings

A) Annual General Meetings

Location, day, date and time of Annual General Meetings (AGMs) and Special Resolutions passed thereat:

Financial Year	Day & Date	Location of Meeting	Time	No. of Special resolutions passed
2016-17	Tuesday, 8th August, 2017	Adani House, Near Mithakhali Six Road, Navrangpura, Ahmedabad - 380009	3.00 p.m.	1
2017-18	Monday, 6th August, 2018	Adani House, Near Mithakhali Six Road, Navrangpura, Ahmedabad - 380009	10:30 a.m.	1
2018-19	Tuesday, 6th August, 2019	H. T. Parekh Hall, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015	11.30 a.m.	2

B) Whether special resolutions were put through postal ballot last year, details of voting pattern:

During the year under review, two Special Resolutions were passed through Postal Ballot Process as per following details:-

(I) Special resolution under Regulation 26(2)(b) and (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 passed on 16th December, 2019.

The details of the voting pattern in respect of Special Resolution passed under Regulation 26(2)(b) and (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, for availing a loan, in the nature of an unsecured, perpetual loan not exceeding INR equivalent of US Dollars 350 million by the Company from Adani Properties Private Limited and/or Adani Rail Infra Private Limited and/or Adani Infra India Limited in terms of a loan agreement to be entered into between the Company and/or Adani Properties Private Limited and/or Adani Rail Infra Private Limited and/or Adani Infra India Limited, are as under:-

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	822663481	822663481	100.00	822663481	0	100.00	0.00
Public Institutions	238601964	223059288	93.49	222896182	163106	99.93	0.07
Public Non Institutions	38544638	188993	0.49	179560	9433	95.00	5.00
Total	1099810083	1045911762	95.10	1045739223	172539	99.98	0.02

(II) Special resolution to approve adoption of amended and restated Articles of Association of the Company passed on 10th April, 2020.

The details of the voting pattern in respect of Special Resolution passed under Section 14 of the Companies Act, 2013, to approve adoption of amended and restated Articles of Association of the Company, are as under:-

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	822664076	822664076	100.00	822664076	0	100.00	0.00
Public Institutions	227258498	212278701	93.41	201698845	10579856	95.02	4.98
Public Non Institutions	49887509	258039	0.52	255563	2476	99.04	0.96
Total	1099810083	1035200816	94.13	1024618484	10582332	98.98	1.02

C) Person who conducted the postal ballot exercise:

The Board had appointed Mr. Chirag Shah, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

D) Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

E) Prescribed procedure for postal ballot:

The Company followed postal ballot process in compliance with SEBI Listing Regulations and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules. Electronic voting facility was provided to all members, to enable them to cast their votes electronically. The Company engaged the services of NDSL for the purpose of providing e-voting facility to all its members. The members had the option to vote either by physical ballot or e-voting.

5. Subsidiary Companies

The Company does not have any material non-listed Indian Subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.

6. Dividend History (Equity Shares)

Financial Year	Rate	Per Share (₹)	Dividend Payout (₹ in Crores)#
2018-19	25%	0.25	33.15
2019-20 (Interim)	25%	0.25	33.15

including dividend tax.

7. Other Disclosures

a) Disclosure on materially significant related party transactions:

There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Company has developed a Related Party Transaction Policy which is uploaded on the website of the Company at http://www.adanigas.com.

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c) Details of compliance

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

d) ADANI Code of Conduct

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Chief Executive Officer affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is as under:

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31st March, 2020.

Place: Ahmedabad
Date: 8th May, 2020

Suresh P Manglani
Chief Executive Officer

Adani Code of Conduct for Prevention of Insider Trading

ADANI Code of Conduct for Prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase / sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

e) CEO / CFO Certificate

The CEO and CFO have certified to the board with regard to the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report.

They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

f) Proceeds from public issues, rights issues, preferential issues etc.

The Company discloses to the Audit Committee, the uses / application of proceeds /funds raised from Rights Issue, Preferential Issue as part of the quarterly review of financial results.

g) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

h) The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at http://www.adanigas.com.

i) Details of the familiarization programmes imparted to the independent directors are available on the website of the company at http://www.adanigas.com.

j) With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

k) The Company has put in place succession plan for appointment to the Board and to senior management.

l) The Company complies with all applicable Secretarial Standard.

m) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It has obtained a certificate affirming the compliances from Practicing Company Secretary and the same is attached to this Report.

n) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 15th AGM to be held on 26th June, 2020.

o) The Company has obtained certificate from CS Chirag Shah, Practising Company Secretary confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Report.

p) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, is given below:

M/s. Shah Dhandharia & Co.

(₹ In Lakhs)

Payment to Statutory Auditors	FY 2019-20
Audit Fees	12.98
Other Services	0.90
Total	**13.88**

q) As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

8. Means of Communication

a) Financial Results:

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat). These results are not sent individually to the shareholders but are put on the website of the Company.

The quarterly/half-yearly and annual results and other official news releases are displayed on the website of the Company – www.adanigas.com shortly after its submission to the Stock Exchanges.

b) Intimation to Stock Exchanges:

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

c) Earnings Calls and Presentations to Analysts:

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings call are uploaded on the website thereafter.

9. General Shareholder Information

A. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40100GJ2005PLC046553.

B. Annual General Meeting:

Day and Date	Time	Mode*
Friday, 26th June, 2020	11.30 a.m.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

*Pursuant to MCA / SEBI Circulars. For details please refer to the Notice to the AGM.

C. Registered Office:

"Adani House", Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009, Gujarat.

D. Financial Calendar for FY 2020-21: (tentative schedule, subject to change)

Period		Approval of Quarterly results
Quarter ending 30th June, 2020.	:	Mid August, 2020
Quarter and half year ending 30th September, 2020.	:	Mid November, 2020
Quarter ending 31st December, 2020.	:	Mid February, 2020
The year ending 31st March, 2021.	:	End May, 2021.

E. Date of Book Closure:

Friday, 19th June, 2020 to Friday, 26th June, 2020 (both days inclusive) for the purpose of 15th Annual General Meeting.

F. Dividend Payment

Interim dividend of ₹ 0.25 per share (25%) paid on 31st March 2020.

G. Dividend Distribution Policy

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at https://www.adanigas.com.

H. Listing on Stock Exchanges:

(a) The Equity Shares of the Company are listed with the following stock exchanges

BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	(Stock Code : 542066)
National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	(Stock Code : ADANIGAS)

(b) Depositories:

1. **National Securities Depository Limited (NSDL)**

   Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

2. **Central Depository Services (India) Limited (CDSL)**

   Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai- 400 023.

The Shares of the Company are traded compulsorily in Demat Segments. The ISIN allotted to the Company's Equity Shares under the depository system is **INE399L01023**.

Annual Listing fee has been paid to the BSE & NSE and Annual Custody / Issuer fee for the year 2019-20 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

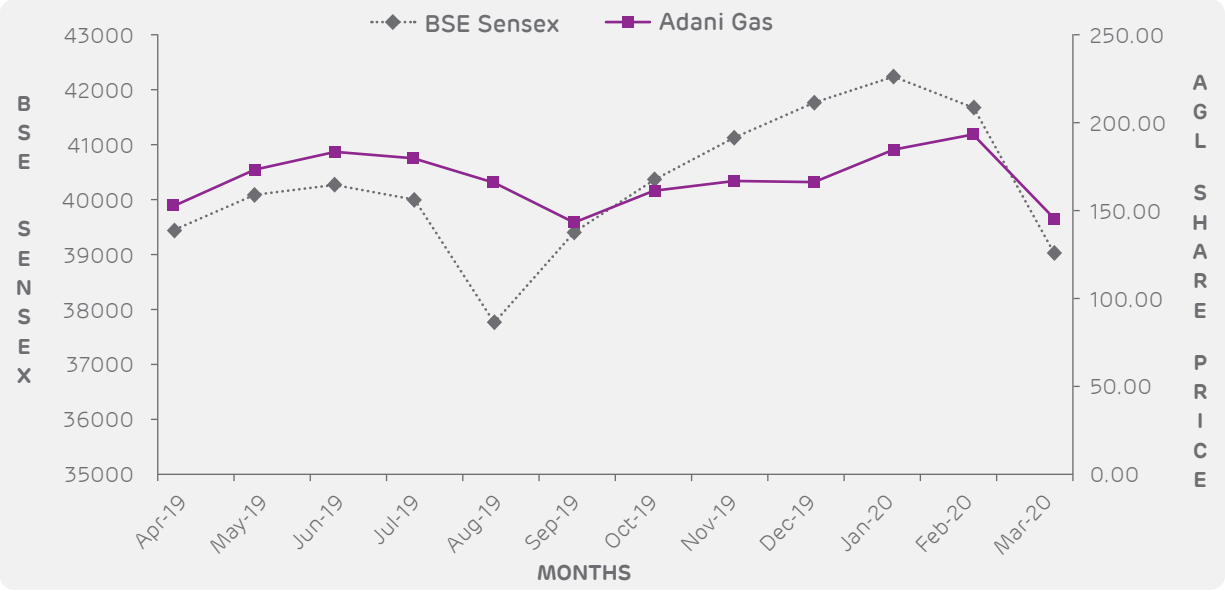
I. Market Price Data: High, Low during each month in Financial Year 2019-20.

Monthly share price movement during the year 2019-20 at BSE & NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2019	153.50	127.70	3776394	153.80	128.10	18395329
May, 2019	174.40	112.70	5351326	174.50	113.05	32365838
June, 2019	184.25	153.00	3760428	184.15	155.40	21768667
July, 2019	181.00	148.75	1887788	181.00	148.55	14123685
August, 2019	166.95	139.00	997150	166.90	139.00	9355056
September, 2019	144.75	128.10	1157038	144.80	128.10	11621930
October, 2019	162.40	125.00	2700494	163.00	127.40	25054115
November, 2019	168.60	145.90	2697716	168.70	145.95	24190865
December, 2019	167.70	149.05	3427516	167.70	148.75	28992428
January, 2020	185.60	148.00	7263975	185.60	148.75	66972684
February, 2020	194.55	125.00	429847864	194.50	125.30	69573556
March, 2020	146.35	76.70	5728140	146.40	76.60	48550689

[Source: This information is compiled from the data available from the websites of BSE and NSE]

J. Performance in comparison to broad-based indices such as BSE Sensex.



K. Registrar and Transfer Agents :

M/s. Link Intime India Private Limited are appointed as Registrar and Transfer (R&T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083
Tel No.: +91 22 4918 6270
Contact Person: Mr. Jayprakash VP

Shareholders are requested to correspond directly with the R & T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

L. Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within

seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Securities Transfer Committee well within the statutory period of one month. The securities transfer committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended 31st March, 2020 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

The Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for half year ended 30th September, 2019 and 31st March, 2020 prospectively with the Stock Exchanges and

2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

M. Dematerialization of Shares and Liquidity:

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the Equity Share is **INE399L01023**.

As on 31st March, 2020, 109,95,40,535 (constituting 99.98%) were in dematerialized form.

The Company's Equity Shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

N. The Distribution of Shareholding as on 31st March, 2020 is as follows:

Number of shares	Number of shareholders		Equity Shares held in each category	
Category	Holders	% of Total	Total Shares	% of Total
1 to 500	99720	89.91	10053937	0.91
501 to 1000	5462	4.92	4358238	0.40
1001 to 2000	2758	2.49	4217178	0.38
2001 to 3000	976	0.88	2481057	0.23
3001 to 4000	465	0.42	1686461	0.15
4001 to 5000	356	0.32	1674904	0.15
5001 to 10000	631	0.57	4597092	0.42
Above 10000	541	0.49	1070741216	97.36
Total	110909	100.00	1099810083	100.00

O. Shareholding Pattern as on 31st March, 2020 is as follows:

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	822664076	74.80
Foreign Portfolio Investors / Institutional Investors	223919079	20.36
Mutual Funds, Financial Institutions / Banks	3653356	0.34
N.R.I., Foreign National and Foreign Bodies	1141853	0.09
Private Bodies Corporate	7675832	0.70
Indian Public and others	39922636	3.64
Clearing Members (Shares in Transit)	788727	0.07
IEPF Authority	44524	0.00
Total	1099810083	100.00

P. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity.

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31st March, 2020.

Q. Commodity Price Risk/Foreign Exchange Risk and Hedging:

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. The Company's risk management activities are subject to the guidance and direction of Management of the Company from time to time, under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

R. Plant Locations: Not Applicable

S. Address for correspondence:

The shareholders may address their communications / suggestions / grievances /queries to:

1. Mr. Gunjan Taunk
   Company Secretary and Compliance Officer
   Adani Gas Limited
   "Adani House", Near Mithakhali Six Roads,
   Navarangpura, Ahmedabad 380009
   Tel No. (079) 25555 555, 26565 555.
   Fax No. (079) 26565 500, 25555 500.
   Email id: investor.agl@adani.com

2. M/s. Link Intime India Private Limited
   C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083
   Tel No.: +91 22 4918 6270
   Mr. Jayprakash VP
   E-mail Id: rnt.helpdesk@linkintime.co.in

T. Credit Rating:

Rating Agency	Facility	Rating/Outlook
ICRA Limited	Long Term Loan	ICRA A+ (Positive)
	Short Term Loan	ICRA A1+
CARE Ratings Limited	Commercial Paper	CAR A1+

Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. **Shareholders Right:**

   The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.adaniengas.com. The same are also available on the sites of stock exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

2. **Modified opinion(s) audit report:**

   The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

3. **Separate posts of Chairperson and CEO:**

   Mr. Gautam S. Adani is the Chairman and Mr. Suresh P. Manglani is Chief Executive Officer of the Company.

4. **Reporting of Internal Auditor:**

   The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Adani Gas Limited
Adani House, Near Mithakhali Six Roads,
Navrangpura, Ahmedabad – 380 009

We have examined the compliance of condition of Corporate Governance by Adani Gas Limited ("the Company") for the year ended 31st March, 2020 as stipulated in applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For, Chirag Shah and Associates

Chirag Shah
Partner
FCS No.: 5545
CP No.: 3498
UDIN : F005545B000211597

Date: 08.05.2020
Place: Ahmedabad

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2020 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 which are fraudulent, illegal or violation of the Company's Code of Conduct.

4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5. We further certify that we have indicated to the auditors and the Audit Committee:

a) There have been no significant changes in internal control system during the year;

b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Date : 08.05.2020

Suresh P Manglani
Chief Executive Officer
Place : Mumbai

Parag Parikh
Chief Financial Officer
Place : Ahmedabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(i) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,
The Members of
Adani Gas Limited
Adani House, Near Mithakhali Six Roads,
Navrangpura, Ahmedabad – 380 009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Adani Gas Limited** having CIN L40100GJ2005PLC046553 and having registered office at Adani House, Near Mithakhali Six Road, Navrangpura Ahmedabad 380009. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Gautam S. Adani	00006273	22/10/2018
2	Mr. Pranav V. Adani	00008457	08/08/2009
3	Mr. Alexis Thelemaque	08563003	14/01/2020
4	Mr. Maheswar Sahu	00034051	22/10/2018
5	Mr. Naresh Kumar Nayyar	00045395	22/10/2018
6	Mrs. Chandra Iyenger	02821294	22/10/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Chirag Shah and Associates

Chirag Shah
Partner
FCS No.: 5545
CP No.: 3498
UDIN : F005545B000211542

Date: 08.05.2020
Place: Ahmedabad

Annexure to the Directors' Report

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L40100GJ2005PLC046553
2. **Name of the Company:** Adani Gas Limited
3. **Registered Address:** 'Adani House', Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India
4. **Website:** www.adanigas.com
5. **Email id:** investor.agl@adani.com
6. **Financial Year reported:** 01.04.2019 to 31.03.2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Class	Sub-class	Description
352	3520	35201	Manufacture of gas
352	3520	35201	Distribution of gaseous fuels through mains

As per National Industrial Classification – Ministry of Statistics and Program Implementations.

8. **List three key products that the Company manufactures/provides (as in balance sheet):**

Supply and Distribution of Natural Gas

9. **Total number of locations where business activity is undertaken by the Company:**

The total number of locations is as follows:

i. Number of international locations: Nil
ii. Number of national locations: 43 (Districts)

10. **Markets served by the Company:** State and National.

Section B: Financial Details of the Company

1. **Paid up capital (INR):** ₹ 110.03 Crores
2. **Total income (INR):** ₹ 2,035.29 Crores
3. **Total Profit After Taxes (INR):** ₹ 436.21 Crores
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:**

The Company carries its CSR activities in the area of education of under privileged students and children belonging to vulnerable and marginalized family. As of now, the Company is expanding to a large number of GAs spread across India. Company is assessing requirement of various CSR based activities in these GAs. Presently Company is arriving out its CSR activities through Adani Foundation. (Adani Group dedicated entity to focus on CSR and community upliftment initiative). During FY 2019-20, the Company has spent ₹ 5.21 Crores towards CSR activities which is 1.19% of Profit after Tax.

5. **List of activities in which expenditure in 4 above has been incurred:**

The major CSR activities are in the Sectors of Education, Community Health, Sustainable Livelihood Development, and Community Infrastructure Development.

Section C: Other Details

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

No

2. **Do the subsidiary Company / companies participate in the BR initiatives of the parent Company?**

Not Applicable.

3. **Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company?**

No other entity / entities participate in the BR Initiatives of the Company.

Section D: BR Information

1. **Details of Director / Directors responsible for BR: -**

Details of the Director / Directors responsible for implementation of the BR policy/ policies:

- **DIN Number:** 00008457
- **Name:** Mr. Pranav V Adani
- **Designation:** Director

a) **Details of the BR head:**

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00008457
2	Name	Mr. Pranav V Adani
3	Designation	Director
4	Telephone Number	(079) 2555 5266
5	E mail Id	Investor.agl@adani.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N):

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customers' Relationship
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy /policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000)	All the policies are compliant with respective principles of NVG Guidelines.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.adanigas.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal & external shareholders.								
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options).

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principle	NOT APPLICABLE								
2	The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (please specify)									

3. **Governance related to BR:**

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

   The Chief Executive Officer and Board of Directors periodically assess the BR performance of the Company.

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

   This report comprises the Company's 2nd Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG). The Company currently does not publish a separate Sustainability Report.

Section E: Principle-wise Performance

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

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

   The Company has adopted Code of Conduct for its Directors and Senior Management personnel. Additionally, the Policy on Code of Conduct for Employees applies to all employees across Adani Group of companies. These do not extend to any other entities.

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

   During the year under review, 06 (Six) investors' complaint were received. There is 01 (One) pending investor grievance as on 31st March, 2020 of which response was submitted on 10th April, 2020.

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

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

   Supply and Distribution of Natural Gas to domestic, commercial, industrial and CNG customers.

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

   I. Reduction during sourcing / production / distribution achieved since the previous year through the value chain:

   The Primary Business of the Company is supplying and distribution of Natural Gas to its customers through pipeline and CNG Stations that is environment friendly, reliable, safe and convenient. We are sourcing Natural Gas at a price determined by the Government of India for meeting the entire requirement of transportation and PNG domestic sector. The requirement of gas for Commercial and Industrial sector are met through various RLNG (Market Price determined) sources. The company continues to make continuous efforts to reduce system gas loss. It is also imperative to note that the use of the company's products by its customers, ensures lowering of the carbon footprint, since natural gas is a more environment friendly fuel than all the fuels it replaces in all its customer segments

   II. Reduction during usage by consumers (energy, water) achieved since the previous year?

   The Company is making continuous efforts to increase the use of Natural Gas. Company always encourages the community to use PNG and CNG over conventional energy resources which generate high emissions. The increase use of Natural Gas reduces the carbon dioxide content in the area. It is evident from the fact that presently, the share of gas in the country's energy mix is just over 6% and Government of India has embarked upon an ambitious target of taking this share to 15% mark by 2025, while the world average is 24%. As mentioned before, natural gas is a more environment friendly fuel than all the fuels it replaces in all its customer segments. Natural gas replaces several polluting fuels and resources like coal, petcoke, wood, rice husk, LPG, petrol, diesel, etc.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   There is sustainable source of meeting gas requirements for various segments of the Company. The government has given priority in allocation of gas for transportation and residential households. The Company has firm supply of gas for transportation and residential households from the Government of

India to meet its entire customer requirement. The weightage of Natural Gas for CNG constitutes ~50% of the total sales volume of the Company. The Company is sourcing gas both through term contracts (to ensure continuity of supply to its valued customers) and on spot basis (to take advantage of short-term variations) for meeting the requirement of commercial and industrial customers based on their requirement from time to time. A substantial portion of the raw material sourced by the Company is transported through the installed pipelines, which are clean and a sustainable mode of transportation. The Company also ensures an early availability of CNG to customers through mobile cascades, in geographical areas where pipeline connectivity is not yet established

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

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

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   The Nature of the product of Company is such that it can't be recycled.

Principle 3: Business should promote the wellbeing of all employees

1. **Please indicate total number of employees:**

   The Company has a total of 390 employees as of 31st March 2020.

2. **Please indicate total number of employees hired on temporary/ contractual/ casual basis:**

   The Company has a total 143 employees hired on contractual basis as of 31st March 2020.

3. **Please indicate the number of permanent women employees:**

   The Company has 11 women employees as of 31st March 2020. The Company is working on enhancing its gender diversity ratio in future while ensuring merit based recruitment.

4. **Please indicate the number of permanent employees with disabilities.**

   The Company has no employee with disabilities as of 31st March 2020. The Company do not discriminate basis the disabilities at the time of recruitment and would be looking to provide suitable opportunity to the persons with disabilities and also to contribute towards their well-being.

5. **Do you have an employee association that is recognized by the Management?**

   The Company does not have an employee association.

6. **What Percentage of permanent employees who are members of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and those pending as on the end of the financial year.**

   There were no complaints of this nature during the financial year.

8. **What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?**

   "Employee Learning & Development is crucial for organizational success and this is an integral part of whole organization wide Human Resources Strategy.

   The organisation has clearly defined Training & Development Policy – which cut across the organisational Vision & Mission and Values. The entire employees irrespective of their grade and status have been provided with opportunity to hone their skills & competencies.

   A special attention was given to conduct a well-structured Assessment & Development Centres across all categories of employees and through which a detailed Individual Development Plans (IDPs) were

prepared. With this outcome the employees were trained reinforcing – Job related Skills; Competencies and desired behavioural improvement etc.

Safety:

Company is having well-structured training program for different stakeholders. Safety induction training is imparted to all employees & contractors. Safety, Technical & Operation Competency (STOC) training is given to all contractor employees. During FY 2019-20, Company imparted 30000 man-hours of training to its people & stakeholders.

Skill upgradation:

In the current year the organization has done a total of 64 courses which involves 10112 Training Hours and 1264 man-days at various grades and level of employees in the organization.

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and local communities around its sites of operations.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders:**

   Adani Foundation is the CSR, sustainability and community outreach arm of Adani Group which was established in 1996. Adopting an approach that employs innovation, people participation and collaboration with key stakeholders, the foundation is striving to achieve inclusive growth across 2250 villages in 18 states, touching the lives of over 3.2 million annually. It aims to bring about holistic development of communities through initiatives in 4 core areas, namely Education, Health, Sustainable Livelihood Development and Community Infrastructure.

   Adani Gas Limited has contributed ₹ 5.21 crores towards Corporate Social Responsibility (CSR) activities during the year 2019-20. On behalf of the company, Adani Foundation implemented the CSR initiatives through one of its flagship initiatives, Adani Vidya Mandir, Ahmedabad as well as Udupi Scholarship and Udupi Education Kit Programmes. These initiatives draw inspiration from the philosophy that education is the most powerful and proven means for ensuring sustainable development in the society. To ensure equitable learning opportunities, it was decided that the CSR contributions be utilized in the Education vertical. A detailed account of these initiatvies is given below.

   1. Adani Vidya Mandir

      The Adani Vidya Mandir, currently operational in Ahmedabad (Gujarat), Bhadreshwar (Gujarat) and Surguja (Chhattisgarh) provide cost-free quality education to 2201 meritorious students from economically weaker sections of the society. Qualified handpicked staff along with their continual training and capacity building is central to these schools.

      All three Adani Vidya Mandirs provide the students with uniforms, books and stationery. With a sharp focus on the overall development of children, the schools have successfully created a benchmark in the cost-free model of education, as recognised by the Quality Council of India (NABET Accreditation).

      The Adani Vidya Mandir in Ahmedabad admits meritorious children who belong to weaker economic sections in the city. Adani Vidya Mandir in Bhadreshwar caters to children mostly from the fisher folk families and the school in Surguja largely reaches out to children in the tribal communities. All the three schools were recognised and appreciated at the recently held Samagra Shiksha Empowering Awards 2020, for providing quality and value-based primary education to the underprivileged. This prestigious recognition from the Government of India reflects the consistency and coherence in Adani Foundation's vision for imparting holistic education to more and more children in India.

   2. Scholarship Programme

      A total of 832 meritorious students (out of 946 applications received who met criteria) residing around the Udupi Power Corporation Ltd plant (within the limits of 12 Gram Panchayats) were conferred the Adani Scholarships amounting to ₹ 23.00 lakhs. Student who had scored 80% and above were eligible to secure this scholarship. This scholarship was granted for use on levels like SSLC, Diploma, PUC, Graduation, Post-Graduation and for courses including but not limited to engineering, medical and nursing.

3. Education Kits Programme

To encourage students belonging to economically deprived background in rural areas to continue with their education and go to school, Udupi Power Corporation Ltd along with Adani Foundation, distributed quality education kits. These were given to students studying in Kannada medium government schools and government aided schools in the Udupi district. The kit included a bag, slates, notebooks, geometry box and umbrella.

A total of 6436 students from 77 Schools benefited from this distribution which amounted to ₹ 48.00 lakhs. The initiative instilled a positive sentiment amongst the beneficiaries and lead to an increase in students' strength in the government schools. For this, the teams on ground received appreciation from the Department of Education as well as the District Administration of Udupi district.

4. Medical Support during COVID19

As the world battles the highly contagious novel coronavirus, AGL supported the local government bodies and supplied medical kits to them. A total of 2230 units of PPE Kits, 480 pieces of N95 masks and 25000 pieces of 3 Ply masks were distributed to healthcare workers and other frontline workers in Ahmedabad.

Principle 5: Business should respect and promote human rights

1. **Does the Company's policy on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

The Company follows The Human Rights Policy as extended by Adani Group. This policy applies to all direct employee/consultant/associates/trainees etc. The Company's commitment to follow the basic principles of human rights is embedded in "Code of Conduct" adopted by the Company. The Company adheres to all applicable labor laws and other statutory requirements in order to uphold the human rights within its organizational boundary.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

No stakeholder complaints were received during the last financial year.

Principle 6: Business should respect, protect, and make effort to restore the environment

1. **Does the policy pertaining to this Principle cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

Environment policy of the Company does not extend to any other entities.

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

Yes, the Company is committed to addressing the global environmental issues such as climate change and global warming through energy conservation, efficient natural resource utilization and adoption of cleaner energy sources such as solar power.

3. **Does the Company identify and assess potential environmental risks? Y/N**

Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects.

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

Not Applicable

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc?**

Company takes every effort possible to reduce the impact of its operations on the environment. Some of our key initiatives taken in this regard are:

a) Application of Digital technology to reduce paper waste generation.

b) Utilization of energy efficient lighting.

c) Continuous efforts are put to maintain the electrical power factor at CNG stations at desired level to achieve efficient use of electric energy.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Yes, the emissions / waste generated are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending**

   There are no show cause / legal notices received from CPCB/SPCB which are pending as of end of financial year.

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

1. **Is your Company a member of any trade and chambers of association? If Yes, name only those major ones that your business deals with.**

   Yes, the Company is a member of the following key associations:

   (i) Natural Gas Society.

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

   Yes, through its membership in the above body, the Company has attended all its meeting and valuable suggestions wherever required.

Principle 8: Business should support inclusive growth and equitable development

1. **Does the Company have specified programme / initiatives/ projects in pursuit of the policy related to principle 8? If yes details thereof.**

   The Company has been pursuing and promoting the societal mission of equitable development and inclusive growth through Adani Foundation, the CSR and sustainability arm of the Adani Group of Companies. Adani Foundation, since its formation in year 1996, has been working in numerous strategic human development areas, benefitting the most deserving members of the society.

   Adani Foundation works with a bottom-up approach with the community with an inclusive agenda. Adani Foundation has always endeavoured to work in with the focus on sustainability, transparency and replicability.

   Adani Foundation has been working across 2315 villages in 18 States of India, creating meaningful impact in the lives of 3.4 million individuals a year. Its core areas of focus have been on Education, Community Health, Sustainable Livelihoods Development and Community Infrastructure Development.

2. **Are the programmes /projects undertaken through in-house team own foundation /external NGO/Govt. structure /any other organisation?**

   Adani Foundation is the CSR, sustainability and community outreach arm of Adani Group. Established in 1996, Adani Foundation aligns its mission with the group philosophy of Growth with Goodness. Adani Foundation is committed to the cause of the deprived and underprivileged with a multi-faceted approach of development.

   Adani Foundation has proper operational and functional structures in place. At various strategic project locations across India, the organization has got both human resource and operational infrastructure for efficient functioning.

   In addition, Adani Foundation has partnerships and collaborations with organizations of relevant expertise that include government departments & institutions, non-government think-tanks & agencies, community-based knowledge, among others.

3. **Have you done any impact assessment of your initiative?**

   Yes, impact assessments of the on-going CSR initiatives; and need & outcome assessments at grassroots level through participatory rural appraisals are conducted at regular intervals to evaluate and continually improve efficiency in programme implementation and outcomes

4. **What is the Company's direct monetary contribution to community development projects and details of projects undertaken?**

   The Company's monetary contribution to community development projects in financial year 2019-20 was ₹ 5.21 Crores. The focus areas of the Company's community development projects are outlined in response to Question 3 of Principal 4 under Section E.

5. **Have you taken steps to ensure that community development initiative is successfully adopted by the community? Please explain in 50 words.**

   Community members are included in the process of need assessment, inception, execution and utilization of services related to any development initiative. In addition, efforts are made to involve relevant government agencies and suitable non-government organizations. These inclusive approach help make our initiatives become more sustainable and being adopted by the community.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

1. **What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2019-20?**

   The Company follows Customer Centric approach and makes all its efforts to attend the complaints in a time bound manner. Out of Total customer complaints, 2.26 % of Customer Complaints and 4 consumer case pending as on end of financial year 2019-20.

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

   The Company does not deal in any Physical Product, Hence this is not applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of FY 2019-20?**

   There are no such pending cases against the Company in a court of law.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   The Company has not carried out a formal consumer survey, however there is a continuous improvement process through which periodic feedback is taken on a regular basis from customers/stakeholders and immediate action is taken on any issues that they are facing.

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Financial Statements

Independent Auditor's Report

To the Members of Adani Gas Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Adani Gas Limited ("the Company"), which comprise the standalone balance sheet as at 31st March, 2020, the standalone statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Non-responses of external confirmations request perpetrated pursuant to SA 505** COVID-19 has impacted the procedure of external confirmation request. Postal facilities were not available in the near-end of the financial year. To combat this, we had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated. In such events, in accordance with SA, auditors have to revise the assessed risk of material misstatement at the assertion level, and modify the planned audit procedures. SA also directs the auditors to perform alternative audit procedures.	**Principal Audit Procedures** We revised our assessed risk and have modified our audit procedures to mitigate these risks. We have obtained a reliable assurance pertaining to transactions with confirming parties, in the sense for accurate and complete processing of routine and significant classes of transactions such as revenue, purchases and cash receipts or cash purchases. We selected samples and tested the effectiveness of controls relating to accuracy and completeness of transactions in totality considering the frequency and regularity of transactions. We performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the original confirmation requests.

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Appropriateness of Classification under Contingent Liability** The company has material uncertain tax positions in relation to tax matters which involves significant judgment to determine the possible outcome of the litigation. There are certain appeals pending before the courts however, they are not been classified as contingent liability due to grant of fresh additional claims made before lower appellate authorities.	**Principal Audit Procedures** We have obtained complete details of tax assessments and demands pending as on 31st March, 2020 from management. There are certain grounds of appeals yet to be decided by courts, which were decided in favour of the company by lower appellate authorities. Fresh additional claims made before such lower appellate authorities were also allowed to the company. These additional claims are not challenged by the tax authorities in higher forums. The amounts of these additional claims allowed by the lower appellate authority are equal to or more than the amounts involved in grounds challenged in higher court. We have hence taken a view that there is no contingent liability outstanding with regards to the same.
3.	**Impairment of Goodwill** As depicted in financial statements, the company carries goodwill amounting to ₹ 25.49 crores. In accordance with Ind AS 36 Goodwill is to be tested for impairment annually at CGU level. This estimation requires high degree of management judgement resulting in inherent subjectivity. Considering the materiality of the amount involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, such goodwill arising from business combination is considered a key audit matter.	**Principal Audit Procedures** We have obtained the impairment analysis model from the management and reviewed their conclusions, including reading the report provided by an independent valuation expert engaged by the management; We have tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these projections; We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate; We have assessed the professional competence, objectivity and capabilities of the third party expert considered by the management for performing the required valuations to estimate the recoverable value of the goodwill.
4.	**Physical Inventory Verification** The auditor's responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year. Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed. As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavourable circumstances our presence was not possible.	**Principal Audit Procedures** Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations. We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company. We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.

Information other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone 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 applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 it appears from our examination of those books.

   c) the Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Cash Flows and the Standalone 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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 financial statements – Refer Note 39 to the 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.

3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
(Firm's Registration No. 118707W)

Shubham Rohatgi
Partner
(Membership No.183083)
UDIN: 20183083AAAABF4196

Place : Ahmedabad
Date : 8th May, 2020

Annexure – A to the Independent Auditor's Report RE: Adani Gas Limited

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant and Equipment, to the financial statements, are held in the name of the company, except for leasehold lands.

(ii) The inventory, other than stocks lying with third parties, has been partly physically verified by the management during the year. Full verification could not be conducted due to COVID-19 outbreak. However, alternate audit procedures were applied for verification of physical presence of the balance inventory. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has granted loans, unsecured, to one party covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end

(iv) In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly the provisions of Clause 3 (v) of the Order are not applicable.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's products/ services to which the said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, income tax, sales tax / value added tax, goods and services tax, excise duty, duty of customs, entry tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues as referred to above were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable except for in some cases of property tax. Property tax demand by Ahmedabad Municipal Corporation amounting to ₹ 4.43 crores is in arrears since August' 2019 and is related to financial years 2012-13 to 2019-20.

(c) According to the information and explanations given to us, there are no material dues of provident fund, employees' state insurance and wealth tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of service tax, income tax, excise duty, sales tax / value added tax and Municipal Corporation Tax have not been deposited by the Company on account of disputes.

Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (₹ in Crores)	Amount paid under protest (₹ in Crores)	Period to which the amount relates
Central Excise Act, 1944	Excise Duty	Assessing Authority	15.40	0.22	2006-07 to 2015-16
		High Court	6.32	3.16	2006-07 & 2007-08
Finance Act, 1994	Service Tax	Assessing Authority	1.21	Nil	2008-09 to 2013-14
		Appellate Tribunal	1.47	0.47	2005-06
		Appellate Authority up to Commissioner's Level	0.05	0.00#	2008-09 to 2012-13
Sales Tax Act	Sales Tax / VAT	Appellate Tribunal	6.75	Nil	2009-10
Municipal Corporation	Property Tax	Supreme Court	32.20	32.20	2010-11 to 2019-20
Income Tax Act, 1961	Income Tax	Assessing Authority	0.30	0.25	2008-09 & 2012-13
		Appellate Authority up to Commissioner's Level	0.62	Nil	2016-17 & 2017-18
		Appellate Tribunal	0.37	0.07	2015-16
		High Court	0.88	0.88	2007-08

(*) Excluding Interest and Penalty where the notice does not specifies the same.

(#) Figures below ₹ 50,000

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not defaulted in repayment of loans or borrowings from Banks and Financial Institutions. The Company has not taken any loan from government and has not issued any debentures.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

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

(xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly the provisions of Clause 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause 3(xvi) of the Order are not applicable.

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
(Firm's Registration No. 118707W)

Shubham Rohatgi
Partner
(Membership No.183083)
UDIN: 20183083AAAABF4196

Place : Ahmedabad
Date : 8th May, 2020

Annexure – B to the Independent Auditor's Report RE: Adani Gas Limited

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ("the Act").

Opinion

We have audited the internal financial controls over financial reporting of **Adani Gas Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Financial Statements of the company for the year ended on that date.

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, 2020, 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.

Management's Responsibilities 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 judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
(Firm's Registration No. 118707W)

Shubham Rohatgi
Partner
(Membership No.183083)
UDIN: 20183083AAAABF4196

Place : Ahmedabad
Date : 8th May, 2020

Balance Sheet

as at 31st March, 2020

(₹ in Crores)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - Current Assets			
(a) Property, Plant and Equipment	3	1,098.19	950.80
(b) Right of Use Assets	3	66.83	-
(c) Capital Work-In-Progress	4	342.06	190.47
(d) Goodwill		25.49	25.49
(e) Other Intangible Assets	3	7.50	3.89
(f) Financial Assets			
(i) Investment	5	291.00	185.50
(ii) Other Financial Assets	6	27.19	9.20
(g) Income Tax Assets (net)	7	15.82	11.26
(h) Other Non - Current Assets	8	53.61	7.47
Total Non - Current Assets		**1,927.69**	**1,384.08**
Current Assets			
(a) Inventories	9	41.30	43.96
(b) Financial Assets			
(i) Trade Receivables	10	61.17	82.79
(ii) Cash and Cash Equivalents	11	88.62	159.25
(iii) Bank balances other than (ii) above	12	0.85	0.51
(iv) Loans	13	311.48	359.22
(v) Other Financial Assets	14	25.39	17.33
(c) Other Current Assets	15	29.26	10.50
Total Current Assets		**558.07**	**673.56**
Total Assets		**2,485.76**	**2,057.64**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	109.98	109.98
(b) Other Equity	17	1,370.34	1,001.50
Total Equity		**1,480.32**	**1,111.48**
Liabilities			
Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	297.55	345.76
(ii) Lease Liabilities	19	21.20	-
(iii) Other Financial Liabilities	20	1.18	3.48
(b) Provisions	21	4.15	3.06
(c) Deferred Tax Liabilities (Net)	22	90.27	102.02
Total Non - Current Liabilities		**414.35**	**454.32**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	57.26	-
(ii) Lease Liabilities	24	4.05	-
(iii) Trade Payables	25		
i. Total outstanding dues of micro and small enterprises		2.76	7.35
ii. Total outstanding dues of creditors other than micro and small enterprises		79.85	96.50
(iv) Other Financial Liabilities	26	432.33	368.23
(b) Other Current Liabilities	27	9.75	10.16
(c) Provisions	28	5.09	3.59
(d) Current Tax Liabilities (net)	29	-	6.01
Total Current Liabilities		**591.09**	**491.84**
Total Liabilities		**1,005.44**	**946.16**
Total Equity and Liabilities		**2,485.76**	**2,057.64**

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Statement of Profit and Loss

for the year ended 31st March, 2020

(₹ in Crores)

Particulars		Note	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Income				
Revenue from Operations		30	1,990.90	1,823.49
Other Income		31	44.39	86.68
Total Income			**2,035.29**	**1,910.17**
Expenses				
Cost of Natural Gas and Traded Items		32	1,059.63	1,087.21
Changes In Inventories		33	0.34	5.44
Excise Duty on Sale of Compressed Natural Gas			116.35	104.53
Employee Benefits Expenses		34	47.46	42.00
Finance Costs		35	41.05	89.85
Depreciation and Amortisation Expenses		3	50.70	67.31
Other Expenses		36	172.36	129.67
Total Expenses			**1,487.89**	**1,526.01**
Profit for the year before Exceptional Items & Tax			**547.40**	**384.16**
Less: Exceptional items		37	-	27.64
Profit before tax			**547.40**	**356.52**
Tax Expense:		38		
Current Tax			121.12	123.66
Adjustment of earlier years			1.42	1.40
Deferred Tax			(11.38)	2.75
Total Tax Expenses			**111.16**	**127.81**
Profit for the year	**Total A**		**436.24**	**228.71**
Other Comprehensive Income				
Items that will be reclassified to Profit & Loss			-	-
Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined benefit plan			(1.48)	(0.92)
(b) Income tax relating to these items			0.37	0.32
Total Other Comprehensive Income	**Total B**		**(1.11)**	**(0.60)**
Total Comprehensive Income for the year	**Total (A+B)**		**435.13**	**228.11**
Earnings Per Equity Share (EPS)				
(Face Value ₹ 1 Per Share)				
Basic and Diluted EPS (₹)		42	3.97	2.08

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity Share Capital

Particulars	No. of Shares	(₹ in Crores)
Balance as at 1st April, 2018	1,09,98,10,083	109.98
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2019	1,09,98,10,083	109.98
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2020	1,09,98,10,083	109.98

B. Other Equity

(₹ in Crores)

Particulars	Reserve and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2018	146.21	622.73	768.94
Adjustments			
Add : Profit for the year	-	228.71	228.71
Add : Transition adjustment on account of Ind AS 115	-	4.45	4.45
Other Comprehensive Income			
Remeasurement of defined benefit plan	-	(0.60)	(0.60)
As at 31st March, 2019	146.21	855.29	1,001.50
Balance as at 1st April 2019	146.21	855.29	1,001.50
Adjustments			
Add : Profit for the year	-	436.24	436.24
Less: Dividends on equity shares	-	(54.99)	(54.99)
Less: Tax on Dividend	-	(11.30)	(11.30)
Other Comprehensive Income			
Remeasurement of defined benefit plan	-	(1.11)	(1.11)
Balance as at 31st March, 2020	146.21	1,224.13	1,370.34

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Statement of Cash Flow

for the year ended 31st March, 2020

(₹ in Crores)

Particulars		For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
A CASHFLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax		**547.40**	**356.52**
Adjustment for:			
Depreciation and amortisation expenses		50.70	67.31
Transition adjustment on account of Ind AS 115 (net impact directly recognised in equity)		-	4.45
Finance Costs		41.05	89.85
Interest Income		(31.88)	(71.34)
(Gain)/Loss from Sale of Current Investments		(6.51)	(11.28)
(Gain)/Loss on sale of Property, plant and equipment		(0.02)	0.33
Allowance for Credit Losses		(0.40)	0.94
Liabilities No Longer Required		(0.05)	(0.05)
Write-off for Doubtful Debt, Loans & Advances		0.32	-
Amortization of ancillary cost of borrowing		0.32	3.30
Exceptional Item		-	27.64
Operating Profit before Working Capital Changes		**600.93**	**467.67**
Adjustment for:			
(Increase)/Decrease in Trade and Other Receivables		13.96	43.92
(Increase)/Decrease in Inventories		2.66	(1.80)
(Increase)/Decrease in Other Financial Assets		(18.23)	2.01
(Increase)/Decrease in Other Non Financial Assets		(18.55)	4.39
Increase/(Decrease) in Trade Payables		(18.14)	(60.89)
Increase/(Decrease) in Provisions		1.11	0.06
Increase/(Decrease) in Other Financial Liabilities		18.31	19.08
Increase/(Decrease) in Other Non Financial Liabilities		(0.41)	4.08
Cash Generated From Operations		**581.64**	**478.52**
Direct Tax (Paid)/ Refund		(133.11)	(122.42)
Net Cash from Operating Activities	**(A)**	**448.53**	**356.10**
B CASHFLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment and Intangible Assets (including Capital Work in Progress and capital advances)		(441.89)	(240.69)
Sale / Disposal of Property, Plant & Equipment / Intagible Assets		0.35	-
Investment in Deposits		-	(0.06)
Interest received		31.74	71.23
Purchase of Non Current Investments		(105.50)	(51.50)
Gain on sale of Current Investments		6.51	11.28
Loans (given to) / received back from Related Party		47.80	1,000.75
Net Cash from / (used in) Investing Activities	**(B)**	**(460.99)**	**791.01**
C CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from Non - Current borrowings		-	94.50
Repayment of Non - Current borrowings		(48.53)	(1,048.53)
Repayment of Lease Liabilities		(3.05)	-
Proceeds / (Repayment) of Current Borrowings		57.26	-
Finance Cost Paid		(41.43)	(161.08)
Security Deposit from Customer & Contractors		43.87	37.97
Dividend Paid (including dividend distribution tax)		(66.29)	-
Net Cash from / (used in) Financing Activities		**(58.17)**	**(1,077.14)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(C)**	**(70.63)**	**69.97**
Cash and cash equivalents at the beginning of the year		159.25	89.28
Cash and cash equivalents at the end of the year		**88.62**	**159.25**

Statement of Cash Flow

for the year ended 31st March, 2020

Notes to Cash flow Statement :

1 Reconciliation of Cash and cash equivalents with the Balance Sheet:

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and Cash Equivalents (Refer note 11)	88.62	159.25
	88.62	159.25

2 The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

3 Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

As at 31st March, 2020 :

(₹ in Crores)

Particulars	As at 1st April, 2019	Cash Flows	Amortization of ancillary cost of borrowing	As at 31st March, 2020
Non - Current borrowings	345.76	(48.53)	0.32	297.55
Current maturity of Non-Current borrowings	48.21	-	-	48.21
Current borrowings	-	57.26	-	57.26
Total	393.97	8.73	0.32	403.02

As at 31st March, 2019 :

(₹ in Crores)

Particulars	As at 1st April, 2018	Cash Flows	Amortization of ancillary cost of borrowing	As at 31st March, 2019
Non - Current borrowings	1,234.26	(891.80)	3.30	345.76
Current maturity of Non-Current borrowings	110.44	(62.23)	-	48.21
Total	1,344.70	(954.03)	3.30	393.97

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For SHAH DHANDHARIA & CO.
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

1 Corporate Information

Adani Gas Limited ("AGL" or "the Company") is a public limited company domiciled in India and was incorporated on 5th August, 2005 under the Companies Act, 1956, having its registered office at "Adani House", Near Mithakali Six Roads, Navrangpura, Ahmedabad -380009. Its shares are listed on BSE Limited and National Stock Exchange. AGL is engaged in City Gas Distribution ("CGD") business and supplies natural gas to domestic, commercial, industrial and vehicle users.

2 Significant accounting policies

I) Statement Of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

II) Basis of Preparation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

Current & Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. The asset/liability is expected to be realised / settled in the Company's normal operating cycle;

ii. The asset is intended for sale or consumption;

iii. The asset/liability is held primarily for the purpose of trading;

iv. The asset/liability is expected to be realised/ settled within twelve months after the reporting period;

v. The asset is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

vi. In case of liability, the Company does not have unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and time between acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

III) Use of Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainity

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

i) Useful life and residual value of property, plant and equipments and intangible assets:

Determination of the estimated useful life of property, plant and equipment and intangible

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

assets and the assessment as to which components of the cost may be capitalised. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

ii) Taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

iii) Fair value measurement of financial instruments:

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions:

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans (Gratuity benefits):

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

vi) Inventory measurement:

The Company performs physical counts of above inventory on a periodic basis using internal / external experts to perform volumetric surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

vii) Recoverability of advances/ receivables:

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

viii) Impairment of Goodwill:

Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

These conditions include changes resulting from market and economic environment, including internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. In accordance with Ind AS 36, goodwill is reviewed at least annually for impairment.

IV) Summary of Significant Accounting Policies

a Inventories

i) Inventories and Stores and Spares are valued at lower of Cost or Net Realisable Value (NRV).

ii) Cost is determined on Weighted Average basis and comprises of costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.

iii) Quantity of CNG in cascades and Natural Gas in pipelines are estimated on a volumetric basis and are valued on Weighted Average basis considering lower of cost or net realisable value.

iv) Net Realisable Value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Company.

b Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash equivalents includes short-term deposits with an original maturity of three months or less from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash.

c Revenue recognition

Revenue from Operations

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers in its capacity as agent.

The Company considers recovery of excise duty flows to the Company on its liability and hence, forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

The accounting policy for the specific revenue streams of the company are summarised below:

Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly to domestic customers and on fortnightly basis to commercial, non commercial and industrial customers. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations. Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers

Other Incomes

Interest income is recognised on effective interest rate taking into account the amount outstanding and the rate applicable. Dividend income from investments is recognised when the Company's right to receive payment is established.

Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date and reporting date has been accrued by the Company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in sale of natural gas. The same is recognised as contract asset and is disclosed as "Unbilled Revenue" under Other Current Financial Assets.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

d Property, Plant & Equipments

Recognition and measurement

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under Ind AS.

Property, Plant and Equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment losses and net of taxes (Cenvat and VAT credit wherever applicable). All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Spare parts or stores meeting the definition of Property, Plant and Equipment, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate.

The Natural Gas distribution systems for PNG connections are commissioned on commencement of supply of gas to the individual consumers. The CNG outlets are commissioned on commencement of sale of CNG to the customers.

Subsequent measurement

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss for the period during which such expenses are incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.

Expenditure incurred during the period of construction including, all direct and indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective assets.

Depreciation

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013. Estimated useful life of assets are determined based on technical parameters / assessments. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Estimated useful life of assets determined based on technical parameters / assessments for following class of assets are as follows:

Assets Class	Estimated Useful Life
Compressors	10 years
Dispensers	10 years
Canopy	10 years
Cascades	20 years
Steel Pipes & Fittings	30 years
PE Pipes & Fittings	30 years

During the year, the company has revised its estimates of useful lives in accordance with Ind AS 8, for some of the above mentioned asset classes, based on technical parameters and assessments.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

Assets Class	Previous Useful Life	Revised Useful Life
Compressors	8 years	10 years
Dispensers	8 years	10 years
Cascades	15 years	20 years
Steel Pipes & Fittings	20 years	30 years
PE Pipes & Fittings	20 years	30 years

Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

e Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction / erection of the capital project / property plant and equipment. Borrowing Cost related to a acquisition/construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The cost of asset not put to use before the year and capital inventory are disclosed under Capital work in progress.

f Intangible Assets

Recognition and measurement

Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

Amortisation

Intangible assets are amortised on straight line basis over their estimated useful life as below:

Assets Class	Estimated Useful Life
Software	3-5 Years based on management estimate

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.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

A) Financial Assets

All financial assets, except investment in joint venture are recognised initially at fair value. Investment in joint venture are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

The subsequent measurement of financial assets depends on their classification, as described below:

1) At amortised cost

This category is the most relevant to the Company. After initial measurement, such 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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as the FVTOCI if both of the following criteria are met:

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised 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').

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach, the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the Statement of Profit and Loss.

B) Financial Liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

Financial Liablities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

1) At amortised cost

This is the category most relevant to the Company. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. 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.

2) At Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management; It include financial liabilities held for trading and financial liabilities designated upon initial recognition as such Subsequently, any changes in fair value are recognised in the Statement of Profit and Loss.

Derecognition of financial liability

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

h Goodwill

Goodwill acquired as a result of demerger of CGD business from Adani Energy Limited is measured at net value as at 31st March, 2015. Goodwill is not amortized but is checked for impairment at regular intervals of time. Impairment shall be recognised when there are certain indications that recoverable amount of cash generating unit is less than its carrying amount.

i Foreign Currency Transactions

Functional and Presentation currency

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of those related to acquisition of a PPE which are capitalised and depreciated over the remaining useful life of the related asset. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in the statement of profit and loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

j Employee Benefits

Employee benefits include gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

a) Short Term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages

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at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

b) Post Employment Benefits

Defined Benefit Plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss in the line item "Employee Benefits Expense":

- Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

Defined Contribution Plans

Retirement benefits in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Compensated absences

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

Short term Employee Benefits

Short-term employee benefit obligations are recognised at an undiscounted amount in the statement of profit and loss for the reporting period in which the related services are received.

k Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

l Segment reporting

The Company has a single operating segment i.e. "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected in the financial statements themselves as at and for the financial year ended 31st March, 2020 as determined by Chief Operational Decision Maker , in accordance with Ind-AS 108 "Operating Segment".

Notes to Financial Statements

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m Leases

Under Ind AS 116 Leases:

Effective from 1st April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019. Refer Note 48 for details on transition to Ind AS 116 Leases.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Under Ind AS 17 Leases:

Assets held under lease

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

Lease Payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

n Earning Per Share

Basic Earnings per share is computed by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted Earnings per share is computed by dividing the profit attributable to equity holders of the Company (after adjusting for costs associated with dilutive potential equity shares) by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

o Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity,

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

a) Current Tax

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 where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of unrecognised deferred tax assets are reviewed at each reporting date to assess their realisability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

p Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted for at cost.

q Impairment of Property, Plant and Equipments and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

r Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably. 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.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for inthe financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

Contingent assets are not recognised in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

s Exceptional Items

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

3 Property, Plant & Equipments, Intangible Assets and Right of use Assets

(₹ in Crores)

Particulars	Property, Plant & Equipments									Intangible Assets			Right of Use Leases Assets			
	Freehold Land	Leasehold Land	Building	Office Equipments	Computer	Vehicles	Furniture	Plant & Machinery	Total	Computer Software	Right of Use of Land	Total	Land	Building	Computer	Total
Year Ended 31st March, 2019																
Gross Carrying Value																
Opening Gross Carrying Amount	16.53	43.52	53.51	4.50	5.80	0.26	9.09	898.32	**1,031.54**	7.78	0.12	**7.90**	-	-	-	**-**
Addition during the Year	-	-	2.94	0.35	0.94	0.37	0.18	143.89	**148.66**	2.44	-	**2.44**	-	-	-	**-**
Deduction during the Year	-	-	-	-	-	0.03	-	1.87	**1.90**	-	-	**-**	-	-	-	**-**
Transfer	-	-	-	-	-	-	-	-	**-**	-	-	**-**	-	-	-	**-**
Closing Gross Carrying Value	**16.53**	**43.52**	**56.45**	**4.85**	**6.74**	**0.60**	**9.27**	**1,040.34**	**1,178.30**	**10.22**	**0.12**	**10.34**	**-**	**-**	**-**	**-**
Accumulated Depreciation																
Opening Accumulated Depreciation	-	1.47	3.05	2.31	1.86	0.14	4.84	149.71	**163.38**	4.72	0.11	**4.83**	-	-	-	**-**
Depreciation during the year	-	0.49	1.22	0.69	1.32	0.06	1.25	60.65	**65.68**	1.61	0.01	**1.62**	-	-	-	**-**
Deduction during the Year	-	-	-	-	-	0.02	-	1.54	**1.56**	-	-	**-**	-	-	-	**-**
Transfer	-	-	-	-	-	-	-	-	**-**	-	-	**-**	-	-	-	**-**
Closing Accumulated Depreciation	**-**	**1.96**	**4.27**	**3.00**	**3.18**	**0.18**	**6.09**	**208.82**	**227.50**	**6.33**	**0.12**	**6.45**	**-**	**-**	**-**	**-**
Net Carrying Amount	**16.53**	**41.56**	**52.18**	**1.85**	**3.56**	**0.42**	**3.18**	**831.52**	**950.80**	**3.89**	**-**	**3.89**	**-**	**-**	**-**	**-**
Year Ended 31st March, 2020																
Gross Carrying Value																
Opening Gross Carrying Amount	16.53	43.52	56.45	4.85	6.74	0.60	9.27	1,040.35	**1,178.31**	10.22	0.12	**10.34**	11.96	1.40	-	**13.36**
Addition during the Year	27.29	-	5.33	0.42	3.62	-	0.04	199.13	**235.83**	5.66	-	**5.66**	9.81	3.41	1.43	**14.65**
Deduction during the Year	-	-	-	-	0.01	0.37	-	-	**0.38**	-	-	**-**	-	-	-	**-**
Ind AS 116 Transition	-	(43.52)	-	-	-	-	-	-	**(43.52)**	-	(0.12)	**(0.12)**	43.64	-	-	**43.64**
Closing Gross Carrying Value	**43.82**	**-**	**61.78**	**5.27**	**10.35**	**0.23**	**9.31**	**1,239.48**	**1,370.24**	**15.88**	**-**	**15.88**	**65.41**	**4.81**	**1.43**	**71.65**
Accumulated Depreciation																
Opening Accumulated Depreciation	-	1.96	4.27	3.00	3.18	0.18	6.09	208.82	**227.50**	6.33	0.12	**6.45**	-	-	-	**-**
Depreciation during the year	-	-	1.27	0.73	1.68	0.06	1.03	41.79	**46.56**	2.05	-	**2.05**	1.75	0.91	0.08	**2.74**
Deduction during the Year	-	-	-	-	-	0.05	-	-	**0.05**	-	-	**-**	-	-	-	**-**
Ind AS 116 Transition	-	(1.96)	-	-	-	-	-	-	**(1.96)**	-	(0.12)	**(0.12)**	2.08	-	-	**2.08**
Closing Accumulated Depreciation	**-**	**-**	**5.54**	**3.73**	**4.86**	**0.19**	**7.12**	**250.61**	**272.05**	**8.38**	**-**	**8.38**	**3.83**	**0.91**	**0.08**	**4.82**
Net Carrying Amount	**43.82**	**-**	**56.24**	**1.54**	**5.49**	**0.04**	**2.19**	**988.87**	**1,098.19**	**7.50**	**-**	**7.50**	**61.58**	**3.90**	**1.35**	**66.83**

Notes:

a) Impairment of Property, Plant & Equipments and Intangible Assets

Management has carried out a review, of the carrying value of assets as March 31, 2020 in accordance with the provisions of Ind AS – 36 Impairment of Assets. Based on this review, the management is of the opinion, that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.

b) In respect of Leases that were classified as finance lease, applying Ind AS 17, an amount of ₹ 43.64 Cr from Gross carrying value and ₹ 2.08 Crore from accumlated depreciation has been reclassified from Property, Plant,Equipments and Intangible Assets to Right-of-use Lease asset

c) Refer note 18 for Securities

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

4 Capital Work-in-progress

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Work in Progress (Refer note below)	181.48	85.61
Capital Inventory	160.58	104.86
Total	**342.06**	**190.47**

Note: Includes expenditure directly attributable to construction period of ₹ 61.66 Crores (31st March, 2019 : ₹ 26.07 Crores) (Refer note 40)

5 Non - Current Investments

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments measured at Cost		
Investment in unquoted Equity Shares of Jointly Controlled Entity (fully paid)		
Indian Oil -Adani Gas Private Limited		
29,10,00,000 Shares (31st March, 2019: 18,55,00,000 Shares)	291.00	185.50
Total	**291.00**	**185.50**
Aggregate value of unquoted investments	291.00	185.50

6 Other Non - Current Financial Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	25.08	7.23
Interest accrued and due on deposits	2.08	1.94
Interest accrued and not due on deposits	0.03	0.03
Total	**27.19**	**9.20**

7 Income Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Payment of Income Tax (net of provisions)	15.82	11.26
Total	**15.82**	**11.26**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

8 Other Non - Current Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital advances	47.69	1.34
Balance with Government Authorities	5.92	6.13
Total	**53.61**	**7.47**

Note: Refer note 46 for Related Party Balances

9 Inventories

(At lower of Cost or Net Realisable Value)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Stock of Natural Gas	0.97	1.31
Stores and spares	40.33	42.65
Total	**41.30**	**43.96**

Note: Refer note 18 for security

10 Trade Receivables

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good	61.17	82.79
Unsecured, credit impaired	0.88	1.28
	62.05	**84.07**
Allowances for Expected Credit Losses	(0.88)	(1.28)
Total	**61.17**	**82.79**

Note:

i) Refer note 18 for security

ii) Refer note 46 for balances with related party

11 Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks		
- In current accounts	19.62	136.36
- Deposit with original maturity of less than 3 months	69.00	22.85
Cash on hand	-	0.04
Total	**88.62**	**159.25**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

12 Bank balances other than Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances held as Margin Money	0.80	0.48
Fixed Deposits (with original maturity for more than three months)	0.03	0.03
Earmarked balances in unclaimed dividend accounts	0.02	-
Total	**0.85**	**0.51**

13 Current Loans

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans to related parties	311.22	359.02
Loan to employees	0.26	0.20
Total	**311.48**	**359.22**

Note: Refer note 46 for Related Party Balances

14 Other Current Financial Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest accrued but not due on deposits	0.04	0.04
Contract Asset - Unbilled Receivable (refer note 47)	16.97	13.70
Other Receivables from Related Parties	8.38	3.59
Total	**25.39**	**17.33**

Note: Refer note 46 for Related Party Balances

15 Other Current Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance for supply of goods or services	2.39	1.92
Balances with Government authorities	8.62	7.74
Prepaid Expenses	18.25	0.84
Total	**29.26**	**10.50**

Note: Refer note 46 for Related Party Balances

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

16 Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised Share Capital		
5,09,95,00,000 (as at 31st March, 2019 - 5,09,95,00,000) equity shares of ₹ 1/- each	509.95	509.95
Total	**509.95**	**509.95**
Issued, Subscribed and fully paid-up equity shares		
1,09,98,10,083 (As at 31st March, 2019 - 1,09,98,10,083) Fully paid up Equity shares of ₹ 1/- each	109.98	109.98
Total	**109.98**	**109.98**

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
At the beginning of the year	1,09,98,10,083	109.98	1,09,98,10,083	109.98
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,09,98,10,083**	**109.98**	**1,09,98,10,083**	**109.98**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. The dividend proposed by the Board of Directors if any, is subject to the approval of shareholders in the ensuring Annual General Meeting, except in case of interim dividend.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 1 each fully paid				
Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf S. B. Adani Family Trust)	40,22,95,584	36.58%	61,96,97,910	56.35%
Adani Tradeline LLP	-	-	9,94,91,719	9.05%
Total Holdings SAS	41,13,31,740	37.40%	-	-

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

17 Other Equity

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(A) Capital Reserve		
Balance as at the beginning/end of the year	146.21	146.21
Total	**146.21**	**146.21**
(B) Retained Earnings		
Opening Balance	855.29	622.73
Add: Profit for the year	436.24	228.71
Add : Transition adjustment on account of Ind AS 115	-	4.45
Add: Other Comprehensive Income/(Loss)	(1.11)	(0.60)
Less: Dividend on Equity Shares	(54.99)	-
Less: Tax on Dividend	(11.30)	-
	1,224.13	**855.29**
Total	**1,370.34**	**1,001.50**

Nature and purpose of each reserve :

a) Capital Reserve

The capital reserve was created as per Composite scheme of arrangement among Adani Gas Holding Limited and Adani Gas Limited and Adani Enterprise Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013 approved by National Company Law Tribunal ("NCLT") Bench at Ahmedabad vide its order dated 3rd August, 2018. Hence, the same is not considered as a free reserve for the purpose of distribution of dividends.

b) Retained Earnings

The portion of profits not distributed among the shareholders are termed as retained earnings (free reserves). The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders, for distributing dividend and bonus or for any other purpose, as approved by the Board of Directors of the Company.

18 Non - Current Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured borrowings		
Term Loans from Banks (refer note a & b)	297.50	345.71
Unsecured borrowings		
10% Cumulative Redeemable Preference Share (refer note c)	0.05	0.05
Total	**297.55**	**345.76**

Notes:

a) Security Details:

Rupee Term Loans from bank is secured by

- First pari passu charge and hypothecation charge over all present and future movable Plant and Machinery and other movable assets of the Company at Ahmedabad, Vadodara, Khurja and Faridabad.
- Second pari passu charge over all current assets uncalled capital , goodwill, cash flows, receivables, book debt and revenue, present & future, located or pertaining to Ahmedabad , Vadodara, Khurja and Faridabad.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

18 Non - Current Borrowings (Contd..)

a) Security Details: (Contd..)

b) Repayment terms:

i) Long Term Rupee Term Loan of ₹182.35 Crores is repayable in 8 Quarterly Instalments of ₹6.51 Crores each from Q1 F.Y. 21 to Q4 F.Y. 22, 11 Quarterly Instalments of ₹10.42 Crores each from Q1 F.Y. 23 to Q3 F.Y. 25 and final instalment of ₹15.63 Crores in Q4 F.Y. 25 and said loan carries interest rate equal to the benchmark rate, presently @ 8.8% and is payable on monthly basis.

ii) Long Term Rupee Term Loan of ₹103.53 Crores is repayable at 9 Quarterly Instalments of ₹3.57 Crores each from Q1 F.Y. 21 to Q1 F.Y. 23, 10 Quarterly Instalments of ₹5.71 Crores each from Q2 F.Y. 23 to Q3 F.Y. 25 and instalment of ₹7.85 Crores in Q4 F.Y. 25 and final instalment of ₹6.43 Crores in Q1 F.Y. 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.10% and is payable on monthly basis.

iii) Long Term Rupee Term Loan of ₹61.50 Crores is repayable in 10 Quarterly Instalments of ₹2.05 Crores each from F.Y. 21 to Q2 F.Y. 23, 8 Quarterly Instalments of ₹3.28 Crores each from Q3 F.Y. 23 to Q2 F.Y. 25 and 4 Quarterly Instalments of ₹3.69 Crores each from Q3 F.Y. 25 to Q2 F.Y. 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.15% and is payable on monthly basis.

iv) For current maturities of long term borrowing, refer note 26 "Other Current Financial Liabilities".

c) Terms of Preference Share Capital

The Company has outstanding 50,000 10% Cumulative Redeemable Preference Shares ('CRPS') of ₹ 10 each issued at face value. Each preference shareholder has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference shareholders. These preference shares be redeemable at face value in one or more tranches provided however, that the Preference Shares shall anyways be redeemed in full within a maximum period of 3 years from the date of allotment of the Preference Shares. In the event of liquidation of the Company, the holder of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

19 Non - Current Lease Liability

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Finance lease obligations (Refer note 48)	21.20	-
Total	**21.20**	**-**

20 Other Non - Current Financial Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Retention Money	1.18	3.48
Total	**1.18**	**3.48**

21 Non - Current Provisions

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for compensated absences (Refer note 44)	4.15	3.06
Total	**4.15**	**3.06**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

22 Deferred Tax Liabilities (net)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities		
Property, Plant & Equipment and Other Intangible assets	101.38	112.95
Gross Deferred Tax Liabilities	**101.38**	**112.95**
Deferred Tax Assets		
Employee Benefit Liability	3.49	2.75
Allowance for credit losses	0.22	0.45
Lease Liability net of Lease Assets	2.99	-
Others	4.41	7.73
Gross Deferred Tax Assets	**11.11**	**10.93**
Net Deferred Tax Liabilities	**90.27**	**102.02**

Refer Note 52 for the impact of concessional tax rate regime by way of The Taxation (Amendment) Act, 2019 incorporated in Finance Bill, 2020

a. Movement in Deferred Tax Liability (net) for the year ended 31st March 2020:

(₹ in Crores)

Particulars	As at 1st April, 2019	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2020
Tax effect of items constituting deferred tax liabilities:				
Difference between book base and tax base of property, plant & equipment and Intangible Assets	112.95	(11.57)	-	101.38
Total	**112.95**	**(11.57)**	**-**	**101.38**
Tax effect of items constituting deferred tax asset:				
Employee Benefit Liability	2.75	0.37	0.37	3.49
Allowance for credit losses	0.45	(0.23)	-	0.22
Lease Liability net of Lease Assets	-	2.99	-	2.99
Others	7.73	(3.32)	-	4.41
Total	**10.93**	**(0.18)**	**0.37**	**11.11**
Net Deferred Tax Liability	**102.02**	**(11.39)**	**(0.37)**	**90.27**

b. Movement in Deferred Tax Liability (net) for the year ended 31st March 2019:

Particulars	As at 1st April, 2018	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2019
Tax effect of items constituting deferred tax liabilities:				
Difference between book base and tax base of property, plant & equipment and Intangible Assets	102.06	10.89	-	112.95
Total	**102.06**	**10.89**	**-**	**112.95**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

22 Deferred Tax Liabilities (net)

b. Movement in Deferred Tax Liability (net) for the year ended 31st March 2019: (Contd..)

Particulars	As at 1st April, 2018	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2019
Tax effect of items constituting deferred tax asset:				
Employee Benefit Liability	2.35	0.08	0.32	2.75
Allowance for credit losses	0.12	0.33	-	0.45
Others	-	7.73	-	7.73
Total	2.47	8.14	0.32	10.93
Net Deferred Tax Liability	99.59	2.75	(0.32)	102.02

23 Current Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured Borrowings		
Trade Credits From Banks	57.26	-
Total	57.26	-

Notes:

Trade credits from Banks aggregating to ₹ 57.26 Crore are secured or to be secured by First Pari paasu charge over the current and moveable assets of the Geographical Areas allotted under 9th Round of CGD Bidding , exclusive charge over the capital goods purchased and subservient charge on all current assets and movable fixed assets, both present and future of the borrower. The same carries an interest rate in range of 8.05% p.a. to 8.50% p.a.

24 Current Lease Liability

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Finance lease obligations (Refer note 48)	4.05	-
Total	4.05	-

25 Trade Payables

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Payables		
i. Total outstanding dues of micro and small enterprises	2.76	7.35
ii. Total outstanding dues of creditors other than micro and small enterprises	79.85	96.50
Total	82.61	103.85

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

25 Trade Payables (Contd..)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.76	7.35
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date	-	-
iv) The amount of interest due and payable for the year	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

26 Other Current Financial Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of non current borrowings (Secured) (refer note 18)	48.21	48.21
Interest accrued but not due on borrowings	2.59	2.97
Unclaimed Dividend	0.02	-
Security Deposit from Customers	313.51	269.72
Security Deposit from Contractors	1.03	0.95
Other payables		
- Retention money payable	29.33	19.84
- Capital Creditors	37.64	26.54
Total	**432.33**	**368.23**

27 Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue received in advance		
Contract Liability - Advances from Customers (Refer Note 47)	0.88	1.14
Statutory Liabilities	8.87	9.02
Total	**9.75**	**10.16**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

28 Current Provisions

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for Gratuity (Refer note 44)	4.05	2.78
Provision for compensated absences (Refer note 44)	1.04	0.81
Total	**5.09**	**3.59**

29 Current Tax Liabilities (net)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Tax (net of advance tax and tax deducted at source)	-	6.01
Total	**-**	**6.01**

30 Revenue from Operations

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue from Contract with Customers		
Sale of Goods		
CNG Sales	947.56	851.74
PNG Sales	1,017.00	950.42
Sale of Services		
Connection Income	9.73	9.31
Transportation Income	3.65	2.43
Other Operating Revenues	12.96	9.59
Total	**1,990.90**	**1,823.49**

31 Other Income

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Interest Income		
Inter Corporate Loans	30.22	68.51
Bank Deposits	1.46	2.64
Others	0.20	0.19
Foreign Exchange Fluctuation Gain	0.28	0.08
Net Gain on Sale / fair valuation of Current Investments	6.51	11.28
Net Gain on Sale of Property, plant and equipment	0.02	-
Liabilities no longer required written back	0.05	0.05
Sale of Stores and Spares	-	0.73
Corporate Guarantee Income	3.53	2.60
Other non-operating income	2.12	0.60
Total	**44.39**	**86.68**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

32 Cost of Natural Gas and Traded Items

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Cost of Natural Gas	1,059.63	1,087.21
Total	**1,059.63**	**1,087.21**

33 Changes in Inventories

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Opening Stock of Finished Goods / Stock in Trade	1.31	6.75
Less: Closing Stock of Finished Goods / Stock in Trade	0.97	1.31
Total	**0.34**	**5.44**

34 Employee Benefits Expense

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Salaries, wages and Bonus	41.91	37.54
Contribution to Provident and Other Funds	2.73	2.13
Staff Welfare Expenses	2.82	2.33
Total	**47.46**	**42.00**

35 Finance costs

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Interest on		
Term Loan	32.91	37.77
Security Deposit	4.12	3.46
Commercial Paper	-	2.68
Income Tax	1.08	0.81
Debentures	-	25.61
Finance lease liabilities	1.00	-
Others	0.02	0.03
Other Borrowing Costs		
Bank and Other Finance Charges	1.92	19.49
Total	**41.05**	**89.85**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

36 Other Expenses

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Consumption of stores and spare parts	10.75	10.29
Job Work Charges	0.35	-
Power and fuel	35.39	32.29
Transportation Charges	5.65	3.81
Security Expenses	2.73	2.45
Facilitation Fees	0.58	0.91
Commission & Brokerage	1.76	1.37
Rent	10.61	3.20
Repairs and Maintenance		
Plant and Machinery	26.40	20.56
Buildings	1.19	0.82
Others	1.84	1.57
Insurance Expenses	0.67	0.51
Rates and Taxes	14.30	3.61
Fines & Penalties	6.41	-
Legal and Professional Expenses	25.20	18.16
Travelling and Conveyance Expenses	8.98	7.63
Advertisement and Business Promotion Expenses	3.28	7.91
Office Expenses	1.21	1.29
Communication & IT Expenses	7.44	5.74
Printing and Stationery Expenses	1.02	0.92
Donations	-	0.65
Corporate Social Responsibility Expenses (Refer note 43)	5.21	3.73
Directors' Sitting Fees	0.34	0.07
Commission to Non Executive Directors	0.43	0.19
Payment to Auditors		
Statutory Audit Fees	0.13	0.11
Others	0.01	-
Write-off for Doubtful Debt, Loans & Advances	0.32	-
Allowances for Credit Losses	(0.40)	0.94
Loss on Sale on Property, Plant & Equipment	-	0.33
Miscellaneous Expenses	0.56	0.61
Total	**172.36**	**129.67**

37 Exceptional Items

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Expenses on account of Composite Scheme of Arrangement	-	27.64
Total	**-**	**27.64**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

38 Income Tax

a. The major components of income tax expense for the years ended 31st March, 2020 and 31st March, 2019 are:

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Income Tax Expense :		
Current Tax:		
Current Income Tax Charge	122.54	125.06
Total (a)	**122.54**	**125.06**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(11.38)	2.75
Total (b)	**(11.38)**	**2.75**
Total (a+b)	**111.16**	**127.81**

b. Reconciliation of Income Tax Expense with Accounting Profit

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Profit before Tax as per statement of Profit and Loss	**547.40**	**356.52**
Tax at companies domestic tax rate (Refer Note 52 for tax rate)	**137.77**	**124.58**
Tax Effect of :		
Restatement as per Ind AS 103	-	(0.21)
Expenses not deductible for tax purposes	2.17	1.05
Change in Tax Rate	(28.54)	-
Adjustment of earlier years	1.42	1.40
Others	(1.67)	0.99
Income Tax recognised in statement of profit and loss account at effective rate	**111.16**	**127.81**

Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company as advised by the Company's tax consultants. There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

39 Contingent Liabilities and Commitments (to the extent not provided for) :

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Contingent Liabilities :		
a) Pending labour matters contested in various courts	0.99	0.95
b) Cases pending in Consumer Forums	0.02	0.02
c) Cases pending in MACT	0.10	0.10
d) In respect of Service tax, Excise Duty and VAT	27.33	59.58
e) In respect of Income Tax	2.17	2.20

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

39 Contingent Liabilities and Commitments (to the extent not provided for) : (Contd..)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
f) Special Civil Suits	0.25	0.25
g) Corporate Guarantee on behalf of JV Company	3,533.46	3,471.94
h) Case pending in NCLAT	-	25.67
Total	**3,564.32**	**3,560.70**

i) The Hon'ble Supreme Court (SC) has passed a judgement dated 28th February 2019, relating to components of salary structure to be included while computing the contribution to provident fund under the Employees Provident Fund Act, 1952. The Company's Management is of the view that there is considerable uncertainty around the timing, manner and extent in which the judgment will be interpreted and applied by the regulatory authorities. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any. Currently, the Company has not considered any impact in these financial statements.

j) Gas suppliers have submitted a claim of ₹ 65.59 Crores pertaining to earlier years (FY 2013-14 to FY 2018-19) for use of allocated gas for other than specified purpose. The Company has refuted this claim contending that there is a gross error in actual domestic gas purchase and actual sales considered by the suppliers. The management is of the view that the Company is not liable to pay any such claim. The Company has already taken up the matter with concerned entities/authorities to withdraw the claim.

k) Haryana Shehri Vikas Pradhikaran ("HSVP") has raised demand notes of ₹ 33.03 crores against plot of lands allotted by HSVP to the Company for CNG gas stations. Presently the Company does not have any basis of the computation of the claim. The Company is regularly paying all the lease rentals and has made a requisite provision on the basis of the allotment letter. The Company is of the opinion that, as remaining amount is not clear and ascertainable and is beyond the terms of allotment letters, hence not provided in the books.

(ii) Commitments :

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of contract on capital account to be executed and note provided for (net of advance)	337.12	59.36
Total	**337.12**	**59.36**

Notes:

a) Interest on the above contingencies is not included in the above amounts wherever not ascertainable.

b) Management is not expecting any future cash outflow with respect to above litigations.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

40 Expenses Directly Attributable To Construction Period

The following expenses which are specifically attributable to construction of project are included in Capital Work-in-Progress (CWIP) :

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balances	26.07	14.85
Employee Benefits Expense	29.17	11.84
Finance Cost	6.44	1.89
Operating and Other Expenses	28.17	31.05
Project Expenses	1.37	0.34
	91.22	59.97
Less:		
Capitalisations	29.56	33.90
Closing Balances	61.66	26.07

41 Financial Instruments and Risk Review :

a) Financial Assets and Liabilities

The Company's principal financial assets include loans and trade receivables, cash and cash equivalents and other receivables. The Company's principal financial liabilities comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

b) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are 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-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

c) Disclosure of fair value measurement and fair value hierarchy for financial assets and liabilities

The following tables summarises carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

As at 31st March, 2020 :

(₹ in Crores)

Particulars	Refer Note	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	11	-	88.62	88.62
Other Bank balances	12	-	0.85	0.85
Trade Receivables	10	-	61.17	61.17
Loans	13	-	311.48	311.48
Other Financial Assets	6, 14	-	52.58	52.58
Total		**-**	**514.70**	**514.70**
Financial Liabilities				
Borrowings	18, 23, 26	-	403.02	403.02
Lease Liability	19, 24	-	25.25	25.25
Trade Payables	25	-	82.61	82.61
Other Financial Liabilities	20, 26	-	385.30	385.30
Total		**-**	**896.18**	**896.18**

As at 31st March, 2019

(₹ in Crores)

Particulars	Refer Note	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	11	-	159.25	159.25
Other Bank balances	12	-	0.51	0.51
Trade Receivables	10	-	82.79	82.79
Loans	13	-	359.22	359.22
Other Financial Assets	6, 14	-	26.53	26.53
Total		**-**	**628.30**	**628.30**
Financial Liabilities				
Borrowings	18, 23, 26	-	393.97	393.97
Trade Payables	25	-	103.85	103.85
Other Financial Liabilities	20, 26	-	323.50	323.50
Total		**-**	**821.32**	**821.32**

Notes :

(a) Investments exclude Investment in Joint Venture.

(b) Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

d) Financial Instruments and Financial Risk Review

In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements, exchange rate fluctuation collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks.

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives., the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, price risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and mitigated in accordance with the Group's policies and risk objectives.

For Company's total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total Borrowings	403.02	393.97

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the Company's profit for the year would increase or decrease as follows

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Impact on profit before tax for the year	2.02	1.98

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

ii) Foreign Currency Risk

Foreign Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the company's operating and financing activities. Since, the transactions in foreign currency are limited, the exposure to foreign currency risk is minimal and hence no hedging is opted.

The details of foreign currency exposures not hedged by derivative instruments are as under :-

Particulars	Currency	As at 31st March, 2020		As at 31st March, 2019	
		Forex	₹ in Crore	Forex	₹ in Crore
Trade Payables	USD	1,16,100	0.88	-	-

(Closing rate as at 31st March, 2020 : INR/USD-75.665 and as at 31st March, 2019 : INR/USD-69.155).

iii) Price risk

The Company's exposure to price risk in the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. Management monitors the prices closely to mitigate its impact on profit and cash flows. Since these investments are insignificant, the exposure to equity price changes is minimal.

The Company has given corporate guarantees to fulfil the collateral requirements of the joint ventures companies. The counterparties have an obligation to return the guarantees to the Company. There are no other significant terms and conditions associated with the use of guarantee.

iv) Credit risk

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Company. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments is managed by the Company's treasury team in accordance with the Company's risk management policy. Cash and cash equivalents and Bank deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

iv) Credit risk (Contd..)

Movement in expected credit loss allowance on trade receivables

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance of Credit Losses	1.28	0.34
Changes during the year	(0.40)	0.94
Closing Balance of Credit Losses	**0.88**	**1.28**

v) Liquidity Risk

Liquidity risk refers the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Maturity profile of financial liabilities :

The table below provides details regarding contractual maturities of non-derivative financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Crores)

As at 31st March, 2020	Refer Note	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	18, 23, 26	105.47	283.77	13.72	402.96
Trade Payables	25	82.61	-	-	82.61
Lease Liability	19,24	4.05	10.95	10.26	25.25
Other Non Current Financial Liabilities	20	-	1.18	-	1.18
Other Current Financial Liabilities	26	384.12	-	-	384.12

(₹ in Crores)

As at 31st March, 2019	Refer Note	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	18, 23, 26	48.21	246.52	99.24	393.97
Trade Payables	25	103.85	-	-	103.85
Other Non Current Financial Liabilities	20	-	3.48	-	3.48
Other Current Financial Liabilities	26	320.02	-	-	320.02

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

e) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
Net debt (total debt less cash and cash equivalents) (A)	19,24,27,12 and 13	313.55	234.21
Total capital (B)	17 and 18	1,480.32	1,111.48
Total capital and net debt C=(A+B)		1,793.87	1,345.69
Gearing ratio (A/C)		17%	17%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2020 and 31st March, 2019.

42 Earning Per Share (EPS)

Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

Particulars	UOM	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Basic and Diluted EPS			
Net Profit after tax attributable to Equity Shareholders	(₹ in Crores)	436.24	228.71
Weighted Average Number of Equity Shares for basic and diluted EPS	No	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	1	1
Basic and Diluted EPS	₹	3.97	2.08

43 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally being carried out through Adani Foundation a Charitable Trust set up by the Group, whereby funds are allocated from the Company. The Charitable Trust carries out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company. During the year, Company was required to spend CSR expense of ₹ 5.21 Crores (31st March, 2019 : ₹ 3.73 Crores) as per requirement of Section 135 of Companies Act, 2013 and had spent ₹ 5.21 Crores (31st March, 2019 : ₹ 3.73 Crores) for the year.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

43 Corporate Social Responsibility (Contd..)

(₹ in Crores)

Particulars	Amount contributed	Amount yet to be contributed	Total
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	5.21	-	5.21
Total	5.21	-	5.21

44 The Company has made provision in the accounts for Gratuity based on actuarial valuation. The particulars under the Ind AS 19 "Employee Benefits" furnished below are those which are relevant and available to the Company for this year.

a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under:

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provident Fund	1.47	1.17
Super Annuation Fund	0.04	0.06
Total	1.51	1.23

b) Defined Benefit Obligations :

The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	:	These Plans invest in long term debt instruments such as Government securities and highly rated corporate bonds. The valuation of which is inversely proportionate to the interest rate movements. There is risk of volatility in asset values due to market fluctuations and impairment of assets due to credit losses.
Interest Risk	:	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.
Longevity Risk	:	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	:	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

44 (Contd..)

b) Defined Benefit Obligations : (Contd..)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	8.47	6.35
Current Service Cost	1.20	0.79
Past Service Cost	-	-
Interest Cost	0.65	0.51
Employee Transfer in / transfer out (net)	0.21	0.25
Benefit paid	(0.81)	(0.44)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.64)	-
change in financial assumptions	1.25	0.20
experience variance (i.e. Actual experiencevs assumptions)	0.44	0.81
Present Value of Defined Benefits Obligation at the end of the Year	**10.77**	**8.47**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	5.69	3.82
Investment Income	0.43	0.29
Return on plan asset excluding amount recognised in net interest expenses	(0.42)	0.09
Employers Contributions	1.85	1.93
Benefit paid	(0.81)	(0.44)
Fair Value of Plan assets at the end of the Year	**6.74**	**5.69**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	10.77	8.47
Fair Value of Plan assets at the end of the Year	6.74	5.69
Net Asset / (Liability) recognized in balance sheet as at the end of the year	**(4.03)**	**(2.78)**
iv. Gratuity Cost for the Year		
Current service cost	1.20	0.79
Interest cost	0.65	0.51
Expected return on plan assets	-	-
Actuarial Gain / (Loss)	-	-
Past service cost-vested benefit recognised during the year	-	-
Investment income	(0.43)	(0.29)
Net Gratuity cost	**1.42**	**1.01**
v. Other Comprehensive income		
Actuarial (gains) / losses		
Change in demographic assumptions	(0.64)	-
Change in financial assumptions	1.25	0.20
Experience variance (i.e. Actual experiencevs assumptions)	0.44	0.81
Actuarial (gain)/loss arising because of change in effect of asset ceiling	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.42	(0.09)
Components of defined benefit costs recognised in other comprehensive income	**1.47**	**0.92**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

44 (Contd..)

b) Defined Benefit Obligations : (Contd..)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
vi. Actuarial Assumptions		
Discount Rate (per annum)	6.70%	7.60%
Annual Increase in Salary Cost	8.00%	8.00%
Mortality Rate During employment	IALM(2012-14)	IALM(2006-08)
Attrition Rate	5.67%	1.00%

vii. Sensitivity Analysis

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11.86	9.83	9.60	7.52
Salary Growth Rate (- / + 1%)	9.84	11.82	7.52	9.58
Attrition Rate (- / + 50%)	11.12	10.51	8.49	8.45
Mortality Rate (- / + 10%)	10.77	10.77	8.47	8.47

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

viii. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is ₹ 5.35 Crore.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

44 (Contd..)

b) Defined Benefit Obligations : (Contd..)

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31st March 2019: 13 years). The expected maturity analysis of gratuity benefits is as follows :

Expected cash flows over the next (valued on undiscounted basis):	(₹ in Crores)
1 year	0.73
2 to 5 years	3.65
6 to 10 years	5.22
More than 10 years	13.35

ix. Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

c) Compensated absences/ leaves

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2020 is ₹ 5.20 Crores (31st March 2019: ₹ 3.87 Crores).

45 Pursuant to Para B14 of Ind AS 112, Disclosure of Interest in Other Entities, following is the disclosure relating to Joint Venture of the entity:

The Company has a Joint Venture interest in Indian Oil Adani Gas Private Limited, a Company incorporated under the Companies Act, 2013. As at 31st March, 2020, the Company has invested a sum of ₹ 291 Crores (31st March, 2019: ₹ 185.50 Crores)

Assets, liabilities , income & expenditure, contingent liabilities and capital commitments of the Joint Venture are as given below:

(₹ in Crores)

Particulars	2019-20 (Unaudited)	2018-19 (Audited)
	IndianOil-Adani Gas Private Limited	
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	167.62	76.31
Non Current Assets	1,343.65	1,033.29
Current Liabilities	206.73	136.44
Non Current Liabilities	741.44	621.22
Income	311.53	167.67

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

45 Pursuant to Para B14 of Ind AS 112, Disclosure of Interest in Other Entities, following is the disclosure relating to Joint Venture of the entity: (Contd..)

(₹ in Crores)

Particulars	2019-20 (Unaudited)	2018-19 (Audited)
	IndianOil-Adani Gas Private Limited	
Profit/(Loss) for the year	0.15	(0.03)
Other Comprehensive Income	0.01	(0.01)
Total Comprehensive Income	0.17	(0.04)
Contingent Liabilities	0.27	0.27
Capital Commitments	414.99	239.77

46 Related party transactions

a. List of related parties and relationship

The Management has identified the following entities and individuals as related parties of the Company for the year ended 31st March, 2020 for the purpose of reporting as per Ind AS 24 Related Party Disclosure which are as under:-

Ultimate Controlling Entity	:	S. B. Adani Family Trust (SBAFT) Total Holdings SAS (THS)
Joint Venture Entity	:	IndianOil-Adani Gas Private Limited
Entities under common control / associate Entities (with whom transactions are done)	:	Adani Enterprises Limited Adani Power Limited Adani Power (Mundra) Limited Adani Foundation Karnavati Aviation Private Limited Adani Township & Real Estate Company Private Limited Shantikrupa Estates Private Limited Belvedere Golf and Country Club Private Limited Adani Infra (India) Limited Adani Agri Fresh Limited Adani Institute for Education and Research Adani Green Energy Limited Adani Wind Energy (GJ) Limited Adani Estate Management Private Limited Adani Ports and Special Economic Zone Limited
Board of Directors and Key Managerial Personnel	:	Mr. Gautam S. Adani, Chairman Mr. Pranav V. Adani, Director Mr. Alexis Thelemaque, Additional Director (w.e.f. 14.02.2020) Mr. Suresh P Manglani, Executive Director (upto 05.02.2020) Mr. Maheshwar Sahu, Independent Director Mrs. Chandra Iyengar, Independent Director Mr. Naresh Kumar Nayyar, Independent Director Mr. Suresh P Manglani, Chief Executive Officer (w.e.f. 05.02.2020) Mr. Parag Parikh, Chief Financial Officer (w.e.f. 25.09.2019) Mr. Gunjan Taunk, Company Secretary

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

46 Related party transactions (Contd..)

a. List of related parties and relationship (Contd..)

Terms and conditions of transactions with related parties

i) The Company is dealing in the CNG & PNG sales to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of CNG & PNG Gas sales to the related parties in ordinary course of business, as all such transactions are done at Arm's Length Price only. As per Para 11(c)(iii) of Ind AS-24 "Related Party Disclosures", normal dealings of Company with related parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.

ii) Outstanding balances of related parties at the year-end are unsecured.

iii) Remuneration to Key Managerial Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

iv) Reimbursement to associate entity includes amount of cost allocation of remuneration to some of the Key Managerial Personnel.

v) All above figures are net of taxes wherever applicable.

b. Transactions with Related Parties

(0.00 denotes amount less than ₹ 50,000)

(₹ in Crores)

Sr No.	Related Party	Nature of Transaction	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1	Adani Enterprises Limited	Loan Given	27.20	176.30
		Loan Received back	75.00	1,177.06
		Purchase of Inventories	-	12.53
		Services Availed	8.27	8.22
		Transfer-in of Employee Liabilities	0.02	0.48
		Transfer-out of Employee Liabilities	0.05	0.00
		Receipt of Interest on Loan	30.22	68.51
2	Adani Power Limited	Purchase of Fixed Asset	-	0.01
3	Adani Power (Mundra) Limited	Services Availed	0.00	-
4	Adani Foundation	Donation	5.21	3.73
5	Karnavati Aviation Private Limited	Services Availed	3.00	2.40
6	Belvedere Golf and Country Club Private Limited	Services Availed	-	0.05
7	Shantikrupa Estates Private Limited	Services Availed	6.33	3.47
8	Adani Township & Real Estate Company Private Limited	Services Availed	0.00	0.00
9	Adani Ports and Special Economic Zone Limited	Rent Expense	1.74	0.43
		Services Availed	0.61	-
		Transfer-in of Employee Liabilities	0.05	-
10	Adani Infra (India) Limited	Transfer-in of Employee Liabilities	0.17	-
11	Adani Agri Fresh Limited	Services Availed	0.00	-
12	Adani Institute for Education and Research	Services Availed	0.12	-
13	Adani Green Energy Limited	Transfer-in of Employee Liabilities	0.11	-
14	Adani Wind Energy (GJ) Limited	Transfer-in of Employee Liabilities	0.01	-
15	Adani Estate Management Private Limited	Services Availed	0.00	-

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

46 Related party transactions (Contd..)

b. Transactions with Related Parties (Contd..)

(₹ in Crores)

Sr No.	Related Party	Nature of Transaction	For the year ended 31st March, 2020	For the year ended 31st March, 2019
16	IndianOil-Adani Gas Private Limited	Sale of Inventory	-	0.06
		Purchase of Capital Inventory	4.00	-
		Sale of Natural Gas	2.87	-
		Purchase of Natural Gas	0.26	-
		Services Rendered	5.93	2.79
		Services Availed	0.01	-
		Corporate Guarantee Commission	3.53	2.60
		Investment in Equity	105.50	51.50
17	Mr. Rajeev Sharma	Short-term Benefits	-	2.25
18	Mr. Naresh Poddar	Short-term Benefits	-	0.91
19	Mr. Suresh P Manglani	Short-term Benefits	2.87	0.69
20	Mr. Parag Parikh	Short-term Benefits	1.62	-
21	Mr. Maheshwar Sahu	Director Sitting Fees	0.11	0.02
		Commission	0.12	0.05
22	Mrs. Chandra Iyengar	Director Sitting Fees	0.09	0.02
		Commission	0.12	0.05
23	Mr. Naresh Kumar Nayyar	Director Sitting Fees	0.09	0.02
		Commission	0.12	0.05

c. Balances With Related Parties

(₹ in Crores)

Sr No.	Related Party	Nature of Balances	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1	Adani Enterprises Limited	Trade Payables	1.19	3.39
		Other Current Financial Assets	0.02	
		Current Loans	311.22	359.02
2	Adani Ports and Special Economic Zone Limited	Trade Payables	0.59	0.47
		Other Non - Current Financial Assets	0.43	-
		Other Current Financial Assets	0.05	-
3	Adani Power (Mundra) Limited	Other Current Financial Assets	0.01	0.01
		Trade Payables	0.00	-
4	Belvedere Golf and Country Club Private Limited	Trade Payables	-	0.01
5	Adani Township & Real Estate Company Private Limited	Trade Payables	-	0.00
6	Adani Estate Management Private Limited	Trade Payables	0.00	-
7	Adani Green Energy Limited	Other Current Financial Assets	0.11	-
8	Adani Wind Energy (GJ) Limited	Other Current Financial Assets	0.01	-
9	Adani Infra (India) Limited	Other Current Financial Assets	0.17	-
10	Karnavati Aviation Private Limited	Trade Payables	0.26	0.27

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

46 Related party transactions (Contd..)

c. Balances With Related Parties (Contd..)

(₹ in Crores)

Sr No.	Related Party	Nature of Balances	For the year ended 31st March, 2020	For the year ended 31st March, 2019
11	Shantikrupa Estates Private Limited	Trade Payables	0.30	0.67
		Other Non Current Assets	4.59	1.06
12	IndianOil-Adani Gas Private Limited	Other Current Financial Assets	9.46	3.88
		Trade Receivables	0.66	-
		Trade Payables	0.29	-
		Other Current Financial Liabilities	4.72	-
		Corporate Guarantee	3,533.46	3,471.94

d. Following are the details of loans and advances in nature of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53(f) read together with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended

(₹ in Crores)

Name of Entity	Closing Balance as at 31st March, 2020	Maximum amount outstanding during the year
Adani Enterprises Limited		
Current Year	311.22	359.02
Previous Year	359.02	1,359.87

47 Contract Balances

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Crores)

Particulars	Refer note	As at 31st March, 2020	As at 31st March, 2019
Trade receivables	10	61.17	82.79
Contract assets	14	16.97	13.70
Contract liabilities	27	0.88	1.14

The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

47 Contract Balances (Contd..)

(b) Significant changes in contract assets and liabilities during the period:

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020
Contract assets reclassified to receivables	13.70
Contract liabilities recognised as revenue during the year	1.14

(c) Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Revenue as per contracted price	1,990.90	1,823.49
Adjustments		
Discounts	-	-
Revenue from contract with customers	**1,990.90**	**1,823.49**

48 Leases

i) Transition to Ind AS 116 Leases:

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1st April, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. The Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

The Company has elected below practical expedients on transition to Ind AS 116:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

48 Leases (Contd..)

i) Transition to Ind AS 116 Leases: (Contd..)

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 9.75%.

ii) The movement in Lease liabilities during the year ended 31st March, 2020

(₹ in Crores)

Particulars	As at 31st March, 2020			
	Land	Building	Computer	Total
Balance as at 1st April, 2019 (adoption of Ind AS 116)	11.96	1.40	-	13.36
Additions during the year	8.47	3.41	1.43	13.31
Finance costs incurred during the year	1.28	0.31	0.04	1.63
Payments of Lease Liabilities	1.85	1.05	0.15	3.05
Balance as at 31st March, 2020 (refer note 19 & 24)	**19.86**	**4.07**	**1.32**	**25.25**

iii) The carrying value of the Rights-of-use and depreciation charged during the year

(₹ in Crores)

Particulars	As at 31st March, 2020
Opening Gross Carrying Value	43.64
Addition to the Right of Use of Asset on account of transition to Ind AS 116 - Lease Accounting	13.36
Addition to Right of use assets during the year	14.65
Right of use assets as at end of the year	**71.65**
Accumulated Depreciation	
Opening Value of Accumulated Depreciation	2.08
Depreciation charged for the year	2.74
	4.82

iv) Amount Recognised in Profit & Loss Account during the Year

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
(i) Expenses related to Short Term Lease & Low Asset Value Lease	2.37	-
(ii) Lease Expenses	-	3.20
Total	**2.37**	**3.20**

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

48 Leases (Contd..)

v) Amounts recognised in statement of cash flows

(₹ in Crores)

Particulars	For the Year ended 31st March, 2020
Total cash outflow for leases	3.05

vi) Maturity analysis of lease liabilities

(₹ in Crores)

Particulars	As at 31st March, 2020
Maturity Analysis of contractual undiscounted cash flows	
Less than one year	4.23
One to five years	14.22
More than five years	25.31
Total undiscounted lease liabilities as at 31st March, 2020	**43.77**
Balances of Lease Liabilities	
Non-Current lease liabilities	4.05
Current lease liabilities	21.20
Total Lease Liability	**25.25**

Note : In future when the dispute related to HSVP gets settled and in case it is required to change in estimate of cashflows, lease modification guidance would be applicable under Ind AS 116, and to be accounted accordingly during that period. (Refer note : 39)

49 In accordance with para 51 of Ind AS 16, useful life has been reviewed during the year. Based on this review, the useful life of certain class of plant and machinery have been revised as specified in accounting policies w.e.f 1st April, 2019. Management believes that the same better represents the economic benefits expected to accrue from use of the assets. The impact of this change has been accounted prospectively from 1st April 2019. Accordingly, depreciation charge for the financial year 2019-20 has been reduced by ₹ 22.60 Crores.

50 Other Disclosures

a) An amount of ₹ 6.87 Crores (P.Y. ₹ 6.87 Crores) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the Company has made application to the Excise & Service Tax department for availing this credit of ₹ 6.87 Crores in statutory returns.

b) In the opinion of the Management and to the best of their knowledge and belief, the classification under the head of Current and Non-Current Assets (other than Property, Plant and Equipment and Non-Current Investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

c) Petition against the company was filed before PNGRB alleging violation of certain provisions pertaining to works in petitioner's authorized Geographical Area. Correspondingly, a Special Leave petition is filed by the company before Hon'ble Supreme Court of India challenging the authorization coupled with constitutional validity of Regulation 18 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 in reference to outer areas of Ahmedabad which is pending for disposal and consequently PNGRB proceedings are adjourned sine die due to such pendency at Apex Court at the reporting date.

d) Item of expenditure in Statement of Profit & Loss includes reimbursement to and by the Company, as agreed upon between group Companies.

Notes to Financial Statements

as at and for the year ended on 31st March, 2020

50 Other Disclosures (Contd..)

e) Security Deposit include amount of ₹ 2.09 Crore and interest due thereon of ₹ 2.11 Crore are outstanding for a substantial period of time. The Company has been actively negotiating for recovery, periodic confirmation of balances are taken and the management is reasonably confident of recovery against the same.

f) The Company has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.

51 Details of Loans given, Investments made and Guarantee given or security provided covered u/s 186 (4) of the Companies Act, 2013 are given under respective heads (refer notes 5 and 46).

52 On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1st April, 2019, subject to certain conditions. The Company has decided to opt for the reduced corporate tax rates effective from 1st April, 2019. Accordingly, the Company has recognised Provision for Income Tax and has re-measured its deferred taxes as per the provisions of the Ordinance. This has resulted in a reduction of deferred tax liability by ₹ 28.54 Crores on account of remeasurement of deferred tax liability as at 31st March, 2020.

53 The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified Gas retail outlets among the essential services which continued to operate during lock down in the crisis situation of COVID-19. The Company has considered the possible effects on the carrying amounts of financial assets including receivables, inventories and unbilled revenues. The Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

54 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 8th May, 2020, there are no subsequent events to be recognized or reported that are not already disclosed.

55 Approval of financial statements

The financial statements were approved for issue by the board of directors on 8th May, 2020.

As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Independent Auditor's Report

To the Members of Adani Gas Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Adani Gas Limited** ("the Parent" or "the Company"), and its jointly controlled entity (the Parent and its jointly controlled entity together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated statement of Profit and Loss (including other comprehensive income), the Consolidated statement of changes in equity and the Consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the financial statements furnished to us by management, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2020, the Consolidated profit and total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Non-responses of external confirmations request perpetrated pursuant to SA 505** COVID-19 has impacted the procedure of external confirmation request. Postal facilities were not available in the near-end of the financial year. To combat this, we had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated. In such events, in accordance with SA, auditors have to revise the assessed risk of material misstatement at the assertion level, and modify the planned audit procedures. SA also directs the auditors to perform alternative audit procedures.	**Principal Audit Procedures** We revised our assessed risk and have modified our audit procedures to mitigate these risks. We have obtained a reliable assurance pertaining to transactions with confirming parties, in the sense for accurate and complete processing of routine and significant classes of transactions such as revenue, purchases and cash receipts or cash purchases. We selected samples and tested the effectiveness of controls relating to accuracy and completeness of transactions in totality considering the frequency and regularity of transactions. We performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the original confirmation requests.

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Appropriateness of Classification under Contingent Liability** The Group has material uncertain tax positions in relation to tax matters which involves significant judgment to determine the possible outcome of the litigation. There are certain appeals pending before the courts however, they are not been classified as contingent liability due to grant of fresh additional claims made before lower appellate authorities.	**Principal Audit Procedures** We have obtained complete details of tax assessments and demands pending as on 31st March, 2020 from management. There are certain grounds of appeals yet to be decided by courts, which were decided in favour of the Group by lower appellate authorities. Fresh additional claims made before such lower appellate authorities were also allowed to the Group. These additional claims are not challenged by the tax authorities in higher forums. The amounts of these additional claims allowed by the lower appellate authority are equal to or more than the amounts involved in grounds challenged in higher court. We have hence taken a view that there is no contingent liability outstanding with regards to the same.
3.	**Impairment of Goodwill** As depicted in Consolidated financial statements, the Group carries goodwill amounting to ₹ 25.49 crores. In accordance with Ind AS 36 Goodwill is to be tested for impairment annually at CGU level. This estimation requires high degree of management judgement resulting in inherent subjectivity. Considering the materiality of the amount involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, such goodwill arising from business combination is considered a key audit matter.	**Principal Audit Procedures** We have obtained the impairment analysis model from the management and reviewed their conclusions, including reading the report provided by an independent valuation expert engaged by the management; We have tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these projections; We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate; We have assessed the professional competence, objectivity and capabilities of the third party expert considered by the management for performing the required valuations to estimate the recoverable value of the goodwill.
4.	**Physical Inventory Verification** The auditor's responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year. Due to COVID-19 pandemic and resulting countrywide shutdown, the programme of physical verification of inventories of stores and spares could not be completed. As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavourable circumstances our presence was not possible.	**Principal Audit Procedures** Our audit procedures included but are not limited to detailed written confirmations of inventories held by the stores in-charge of different locations. We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the Group. We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other companies in the same industry.

Information other than the Financial Statements and Auditor's Report thereon

The Parent Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the management certified financial statements of the jointly controlled entity, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the company, as aforesaid.

In preparing the Consolidated financial statements, Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its jointly controlled entity has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which is unaudited, management remain responsible for the financial information provided to us. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us read with the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The accompanying consolidated financial statements include the Group's share of Net Profit after tax of ₹ 0.08 Crores for the year ended 31st March, 2020, in respect of Indian Oil – Adani Gas Private Limited, a jointly controlled entity whose unaudited financial statements as approved by the respective management of these entities have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the financial statements of jointly controlled entity furnished to us by the management, as referred in the Other Matters paragraph above we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to financial statements of the Parent Entity and its jointly controlled entity incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements – Refer Note 39 to the Consolidated financial statements;

   ii. the Group 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 group.

2. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the current period is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
(Firm's Registration No. 118707W)

Shubham Rohatgi
Partner
(Membership No.183083)
UDIN: 20183083AAAABG5922

Place : Ahmedabad
Date : 8th May, 2020

Annexure – A to the Independent Auditor's Report RE: Adani Gas Limited

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ("the Act")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2020, we have audited the internal financial controls with reference to Consolidated Financial Statements of Adani Gas Limited ("the Parent" or "the Company") and its Jointly Controlled Entity incorporated in India under the Companies Act, 2013 as of that date.

In our opinion, to the best of our information and according to the explanations given to us and based on the financial statements referred to in the Other Matters paragraph below, the Parent and its jointly controlled entity, which are companies incorporated in India, have, 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, 2020 based on the criteria for internal control over financial reporting established by the respective companies 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.

Management's Responsibilities for Internal Financial Controls

The Management of the Company and its jointly controlled entity are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 respective 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 internal financial controls over financial reporting of the Parent Company and its jointly controlled entity, 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained read with the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company and its jointly controlled entity.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the unaudited jointly controlled entity, is based on the information and explanations and representation received from the management.

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
(Firm's Registration No. 118707W)

Shubham Rohatgi
Partner
(Membership No.183083)
UDIN: 20183083AAAABG5922

Place : Ahmedabad
Date : 8th May, 2020

Consolidated Balance Sheet

as at 31st March, 2020

(₹ in Crores)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non - Current Assets			
(a) Property, Plant and Equipment	3	1,098.19	950.80
(b) Right of Use Assets	3	66.83	-
(c) Capital Work-In-Progress	4	342.06	190.47
(d) Goodwill		25.49	25.49
(e) Other Intangible Assets	3	7.50	3.89
(f) Financial Assets			
(i) Investment	5	281.56	175.97
(ii) Other Financial Assets	6	27.19	9.20
(g) Income Tax Assets (net)	7	15.82	11.26
(h) Other Non - Current Assets	8	53.61	7.47
Total Non - Current Assets		**1,918.25**	**1,374.55**
Current Assets			
(a) Inventories	9	41.30	43.96
(b) Financial Assets			
(i) Trade Receivables	10	61.17	82.79
(ii) Cash and Cash Equivalents	11	88.62	159.25
(iii) Bank balances other than (ii) above	12	0.85	0.51
(iv) Loans	13	311.48	359.22
(v) Other Financial Assets	14	25.39	17.33
(c) Other Current Assets	15	29.26	10.50
Total Current Assets		**558.07**	**673.56**
Total Assets		**2,476.32**	**2,048.11**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	109.98	109.98
(b) Other Equity	17	1,360.90	991.97
Total Equity		**1,470.88**	**1,101.95**
Liabilities			
Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	297.55	345.76
(ii) Lease Liabilities	19	21.20	-
(iii) Other Financial Liabilities	20	1.18	3.48
(b) Provisions	21	4.15	3.06
(c) Deferred Tax Liabilities (Net)	22	90.27	102.02
Total Non - Current Liabilities		**414.35**	**454.32**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	57.26	-
(ii) Lease Liabilities	24	4.05	-
(iii) Trade Payables	25		
i. Total outstanding dues of micro and small enterprises		2.76	7.35
ii. Total outstanding dues of creditors other than micro and small enterprises		79.85	96.50
(iv) Other Financial Liabilities	26	432.33	368.23
(b) Other Current Liabilities	27	9.75	10.16
(c) Provisions	28	5.09	3.59
(d) Current Tax Liabilities (net)	29	-	6.01
Total Current Liabilities		**591.09**	**491.84**
Total Liabilities		**1,005.44**	**946.16**
Total Equity and Liabilities		**2,476.32**	**2,048.11**

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

(₹ in Crores)

Particulars		Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income				
Revenue from Operations		30	1,990.90	1,823.49
Other Income		31	44.39	86.68
Total Income			**2,035.29**	**1,910.17**
Expenses				
Cost of Natural Gas and Traded Items		32	1,059.63	1,087.21
Changes In Inventories		33	0.34	5.44
Excise Duty on Sale of Compressed Natural Gas			116.35	104.53
Employee Benefits Expenses		34	47.46	42.00
Finance Costs		35	41.05	89.85
Depreciation and Amortisation Expenses		3	50.70	67.31
Other Expenses		36	172.36	129.67
Total Expenses			**1,487.89**	**1,526.01**
Profit for the year before Exceptional Items & Tax			**547.40**	**384.16**
Less: Exceptional items		37	-	27.64
Profit before tax			**547.40**	**356.52**
Tax Expense:		38		
Current Tax			121.12	123.66
Adjustment of earlier years			1.42	1.40
Deferred Tax			(11.38)	2.75
Total Tax Expenses			**111.16**	**127.81**
Profit for the year before share of profit / (loss) from joint venture			**436.24**	**228.71**
Share of profit / (loss) from joint venture			0.08	(0.01)
Profit for the year	**Total A**		**436.32**	**228.70**
Other Comprehensive Income				
Items that will be reclassified to Profit & Loss			-	-
Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined benefit plan			(1.47)	(0.93)
(b) Income tax relating to these items			0.37	0.32
Total Other Comprehensive Income	**Total B**		**(1.10)**	**(0.61)**
Total Comprehensive Income for the year	**Total (A+B)**		**435.22**	**228.09**
Earnings Per Equity Share (EPS) (Face Value ₹ 1 Per Share)				
Basic and Diluted EPS (₹)		42	3.97	2.08

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity Share Capital

(₹ in Crores)

Particulars	No. of Shares	Amount
Balance as at 1st April, 2018	1,09,98,10,083	109.98
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2019	1,09,98,10,083	109.98
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2020	1,09,98,10,083	109.98

B. Other Equity

(₹ in Crores)

Particulars	Reserve and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2018	146.21	613.22	759.43
Adjustments			
Add : Profit for the year	-	228.70	228.70
Add : Transition adjustment on account of Ind AS 115	-	4.45	4.45
Other Comprehensive Income			
Remeasurement of defined benefit plan	-	(0.61)	(0.61)
As at 31st March, 2019	146.21	845.76	991.97
Balance as at 1st April 2019	146.21	845.76	991.97
Adjustments			
Add : Profit for the year	-	436.32	436.32
Less: Dividends on equity shares	-	(54.99)	(54.99)
Less: Tax on Dividend	-	(11.30)	(11.30)
Other Comprehensive Income			
Remeasurement of defined benefit plan	-	(1.10)	(1.10)
Balance as at 31st March, 2020	146.21	1,214.69	1,360.90

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Statement of Consolidated Cash Flow

for the year ended 31st March, 2020

(₹ in Crores)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
A CASHFLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax		**547.40**	**356.52**
Adjustment for:			
Depreciation and amortisation expenses		50.70	67.31
Transition adjustment on account of Ind AS 115 (net impact directly recognised in equity)		-	4.45
Finance Costs		41.05	89.85
Interest Income		(31.88)	(71.34)
(Gain)/Loss from Sale of Current Investments		(6.51)	(11.28)
(Gain)/Loss on sale of Property, plant and equipment		(0.02)	0.33
Allowance for Credit Losses		(0.40)	0.94
Liabilities No Longer Required		(0.05)	(0.05)
Write-off for Doubtful Debt, Loans & Advances		0.32	-
Amortization of ancillary cost of borrowing		0.32	3.30
Exceptional Item		-	27.64
Operating Profit before Working Capital Changes		**600.93**	**467.67**
Adjustment for:			
(Increase)/Decrease in Trade and Other Receivables		13.96	43.92
(Increase)/Decrease in Inventories		2.66	(1.80)
(Increase)/Decrease in Other Financial Assets		(18.23)	2.01
(Increase)/Decrease in Other Non Financial Assets		(18.55)	4.39
Increase/(Decrease) in Trade Payables		(18.14)	(60.89)
Increase/(Decrease) in Provisions		1.11	0.06
Increase/(Decrease) in Other Financial Liabilities		18.31	19.08
Increase/(Decrease) in Other Non Financial Liabilities		(0.41)	4.08
Cash Generated From Operations		**581.64**	**478.52**
Direct Tax (Paid)/ Refund		(133.11)	(122.42)
Net Cash from Operating Activities	**(A)**	**448.53**	**356.10**
B CASHFLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment and Intangible Assets (including Capital Work in Progress and capital advances)		(441.89)	(240.69)
Sale / Disposal of Property, Plant & Equipment / Intagible Assets		0.35	-
Investment in Deposits		-	(0.06)
Interest received		31.74	71.23
Purchase of Non Current Investments		(105.50)	(51.50)
Gain on sale of Current Investments		6.51	11.28
Loans (given to) / received back from Related Party		47.80	1,000.75
Net Cash from / (used in) Investing Activities	**(B)**	**(460.99)**	**791.01**
C CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from Non - Current borrowings		-	94.50
Repayment of Non - Current borrowings		(48.53)	(1,048.53)
Repayment of Lease Liabilities		(3.05)	-
Proceeds / (Repayment) of Current Borrowings		57.26	-
Finance Cost Paid		(41.43)	(161.08)

Statement of Consolidated Cash Flow

for the year ended 31st March, 2020

(₹ in Crores)

Particulars		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Security Deposit from Customer & Contractors		43.87	37.97
Dividend Paid (including dividend distribution tax)		(66.29)	-
Net Cash from / (used in) Financing Activities	**(C)**	**(58.17)**	**(1,077.14)**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**(70.63)**	**69.97**
Cash and cash equivalents at the beginning of the year		159.25	89.28
Cash and cash equivalents at the end of the year		**88.62**	**159.25**

Notes to Cash flow Statement :

1 Reconciliation of Cash and cash equivalents with the Balance Sheet:

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and Cash Equivalents (Refer note 11)	88.62	159.25
	88.62	**159.25**

2 The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

3 Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

As at 31st March, 2020

(₹ in Crores)

Particular	As at 1st April, 2019	Cash Flows	Amortization of ancillary cost of borrowing	As at 31st March,2020
Non - Current borrowings	345.76	(48.53)	0.32	297.55
Current maturity of Non-Current borrowings	48.21	-	-	48.21
Current borrowings	-	57.26	-	57.26
Total	**393.97**	**8.73**	**0.32**	**403.02**

Statement of Consolidated Cash Flow

for the year ended 31st March, 2020

As at 31st March, 2019

(₹ in Crores)

Particular	As at 1st April, 2018	Cash Flows	Amortization of ancillary cost of borrowing	As at 31st March,2019
Non - Current borrowings	1,234.26	(891.80)	3.30	345.76
Current maturity of Non-Current borrowings	110.44	(62.23)	-	48.21
Total	**1,344.70**	**(954.03)**	**3.30**	**393.97**

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

1 Corporate Information

Adani Gas Limited ("AGL" or "the Group") is a public limited company domiciled in India and was incorporated on 5th August, 2005 under the Companies Act, 1956, having its registered office at "Adani House", Near Mithakali Six Roads, Navrangpura, Ahmedabad -380009. Its shares are listed on BSE Limited and National Stock Exchange. AGL is engaged in City Gas Distribution ("CGD") business and supplies natural gas to domestic, commercial, industrial and vehicle users.

2 Significant accounting policies

I) Statement Of Compliance

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

II) Basis of Preparation

These Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest crore, unless otherwise indicated.

Current & Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. The asset/liability is expected to be realised / settled in the Group's normal operating cycle;

ii. The asset is intended for sale or consumption;

iii. The asset/liability is held primarily for the purpose of trading;

iv. The asset/liability is expected to be realised/settled within twelve months after the reporting period;

v. The asset is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

vi. In case of liability, the Group does not have unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and time between acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

III) Principles of Consolidation

The Consolidated financial statements comprise the financial statements of the Company and equity accounting of its investment in a joint venture.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements have been prepared on the following basis.

Joint Venture - Equity Accounting

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The results and assets and liabilities of joint venture are incorporated in the consolidated financial statements using the equity method of accounting. Under the

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

equity method, an investment in a joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of post acquisition profits or losses and that of other comprehensive income of the joint venture. Distributions received from a joint venture reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there exists such evidence, the Group determines extent of impairment and then recognises the loss in the Consolidated Statement of Profit and Loss..

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture and the fair value of the retained investment and proceeds from disposal is recognised in profit and loss.

The Company has included its below joint venture in these consolidated financial statements.

Sr. No	Name of Company/ Firm	Country of Incorporation	Relationship	Shareholding as at	
				31st March 2020	31st March 2019
1	IndianOil-Adani Gas Private Limited	India	Joint Venture	50% by AGL	50% by AGL

IV) Use of Estimates and Judgments

The preparation of Consolidated financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the Consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainity

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

i) Useful life and residual value of property, plant and equipments and intangible assets:

Determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalised. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

ii) Taxes:

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

iii) Fair value measurement of financial instruments:

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate

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valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions:

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Group. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans (Gratuity benefits):

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

vi) Inventory measurement:

The Group performs physical counts of above inventory on a periodic basis using internal / external experts to perform volumetric surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

vii) Recoverability of advances/ receivables:

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

viii) Impairment of Goodwill:

Ind AS 36 requires that the Group assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include changes resulting from market and economic environment, including internal and external factors such as the Group's market capitalization, significant changes in the Group's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. In accordance with Ind AS 36, goodwill is reviewed at least annually for impairment.

V) Summary of Significant Accounting Policies

a Inventories

i) Inventories and Stores and Spares are valued at lower of Cost or Net Realisable Value (NRV).

ii) Cost is determined on Weighted Average basis and comprises of costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.

iii) Quantity of CNG in cascades and Natural Gas in pipelines are estimated on a volumetric basis and are valued on Weighted Average basis considering lower of cost or net realisable value.

iv) Net Realisable Value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Group.

b Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months

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or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash equivalents includes short-term deposits with an original maturity of three months or less from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash.

c Revenue recognition

Revenue from Operations

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers in its capacity as agent.

The Group considers recovery of excise duty flows to the Group on its liability and hence, forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

The accounting policy for the specific revenue streams of the Group are summarised below:

Revenue on sale of natural gas is recognized on transfer of title to customers at delivery point. Sales are billed bi-monthly to domestic customers and on fortnightly basis to commercial, non commercial and industrial customers. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to customers from CNG stations. Gas Transportation Income is recognized in the same period in which the related volumes of gas are delivered to the customers.

Other Incomes

Interest income is recognised on effective interest rate taking into account the amount outstanding and the rate applicable. Dividend income from investments is recognised when the Company's right to receive payment is established.

Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date and reporting date has been accrued by the Company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in sale of natural gas. The same is recognised as contract asset and is disclosed as "Unbilled Revenue" under Other Current Financial Assets.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs obligations under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

d Property, Plant & Equipments

Recognition and measurement

The Group had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2015 as the deemed cost under Ind AS.

Property, Plant and Equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment losses and net of taxes (Cenvat and VAT credit wherever applicable). All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Spare parts or stores meeting the definition of Property, Plant and Equipment, either procured along with equipment or subsequently, are capitalized in

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the asset's carrying amount or recognized as separate asset, if appropriate.

The Natural Gas distribution systems for PNG connections are commissioned on commencement of supply of gas to the individual consumers. The CNG outlets are commissioned on commencement of sale of CNG to the customers.

Subsequent measurement

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the profit and loss for the period during which such expenses are incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.

Expenditure incurred during the period of construction including, all direct and indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective assets.

Depreciation

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013. Estimated useful life of assets are determined based on technical parameters / assessments. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Estimated useful life of assets determined based on technical parameters / assessments for following class of assets are as follows:

Assets Class	Estimated Useful Life
Compressors	10 years
Dispensers	10 years
Canopy	10 years
Cascades	20 years
Steel Pipes & Fittings	30 years
PE Pipes & Fittings	30 years

During the year, the Group has revised its estimates of useful lives in accordance with Ind AS 8, for some of the above mentioned asset classes, based on technical parameters and assessments.

Assets Class	Previous Useful Life	Revised Useful Life
Compressors	8 years	10 years
Dispensers	8 years	10 years
Cascades	15 years	20 years
Steel Pipes & Fittings	20 years	30 years
PE Pipes & Fittings	20 years	30 years

Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

e Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. Borrowing Cost related to a acquisition/construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The cost of asset not put to use before the year and capital inventory are disclosed under Capital work in progress.

f Intangible Assets

Recognition and measurement

Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

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Amortisation

Intangible assets are amortised on straight line basis over their estimated useful life as below:

Assets Class	Estimated Useful Life
Software	3-5 Years based on management estimate

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.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

A) Financial Assets

All financial assets, except investment in joint venture are recognised initially at fair value. Investment in joint venture are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

The subsequent measurement of financial assets depends on their classification, as described below:

1) At amortised cost

This category is the most relevant to the Group. After initial measurement, such 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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as the FVTOCI if both of the following criteria are met: (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition , cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or

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recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach, the Group does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the Statement of Profit and Loss.

B) Financial Liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial Liablities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

1) At amortised cost

   This is the category most relevant to the Group. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. 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.

2) At Fair Value through Profit or Loss (FVTPL)

   A financial liability may be designated as at FVTPL upon initial recognition if:

   - such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
   - the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management; It include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the Statement of Profit and Loss.

Derecognition of financial liability

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender

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of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

h Goodwill

Goodwill acquired as a result of demerger of CGD business from Adani Energy Limited is measured at net value as at 31st March, 2015. Goodwill is not amortized but is checked for impairment at regular intervals of time. Impairment shall be recognised when there are certain indications that recoverable amount of cash generating unit is less than its carrying amount.

i Foreign Currency Transactions

Functional and Presentation currency

The Consolidated financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of those related to acquisition of a PPE which are capitalised and depreciated over the remaining useful life of the related asset. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in the statement of profit and loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

j Employee Benefits

Employee benefits include gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

a) Short Term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

b) Post Employment Benefits

Defined Benefit Plans

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss in the line item "Employee Benefits Expense":

- Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

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Defined Contribution Plans

Retirement benefits in the form of provident fund and superannuation fund are defined contribution schemes. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Compensated absences

Other long term employee benefits comprise of compensated absences/leaves. The Group allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

Short term Employee Benefits

Short-term employee benefit obligations are recognised at an undiscounted amount in the statement of profit and loss for the reporting period in which the related services are received.

k Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. The Group considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

l Segment reporting

The Group has a single operating segment i.e. "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected in the financial statements themselves as at and for the financial year ended 31st March, 2020 as determined by Chief Operational Decision Maker , in accordance with Ind-AS 108 "Operating Segment".

m Leases

Under Ind AS 116 Leases:

Effective from 1st April, 2019, the Group adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019. Refer Note 48 for details on transition to Ind AS 116 Leases.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use

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asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Under Ind AS 17 Leases:

Assets held under lease

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Group's Balance Sheet.

Lease Payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

n Earning Per Share

Basic Earnings per share is computed by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted Earnings per share is computed by dividing the profit attributable to equity holders of the Company (after adjusting for costs associated with dilutive potential equity shares) by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

o Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

a) Current Tax

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 where the Group operates and generates taxable income.

Current tax items, relating to items recognised outside the Consolidated statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of unrecognised deferred tax assets are reviewed at each reporting date to assess their realisability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.Deferred tax relating to items recognised outside Consolidated statement of profit and loss is recognised outside Consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

p Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted for at cost.

q Impairment of Property, Plant and Equipments and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

r Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised for when the Group has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably. 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.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

Contingent liabilities may arise from litigation, taxation and other claims against the Group. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position.

Contingent assets are not recognised in the Consolidated financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the Consolidated financial statements.

s Exceptional Items

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

3 Property, Plant & Equipments, Intangible Assets and Right of Use Assets

(₹ in Crores)

PARTICULARS	Property, Plant & Equipments									Intangible Assets			Right of Use Leases Assets			
	Freehold Land	Leasehold Land	Building	Office Equipments	Computer	Vehicles	Furniture	Plant & Machinery	Total	Computer Software	Right of Use of Land	Total	Land	Building	Computer	Total
Year Ended 31st March, 2019																
Gross Carrying Value																
Opening Gross Carrying Amount	16.53	43.52	53.51	4.50	5.80	0.26	9.09	898.32	**1,031.54**	7.78	0.12	**7.90**	-	-	-	-
Addition during the Year	-	-	2.94	0.35	0.94	0.37	0.18	143.89	**148.66**	2.44	-	**2.44**	-	-	-	-
Deduction during the Year	-	-	-	-	-	0.03	-	1.87	**1.90**	-	-	**-**	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	**-**	-	-	**-**	-	-	-	-
Closing Gross Carrying Value	**16.53**	**43.52**	**56.45**	**4.85**	**6.74**	**0.60**	**9.27**	**1,040.34**	**1,178.30**	**10.22**	**0.12**	**10.34**	**-**	**-**	**-**	**-**
Accumulated Depreciation																
Opening Accumulated Depreciation	-	1.47	3.05	2.31	1.86	0.14	4.84	149.71	**163.38**	4.72	0.11	**4.83**	-	-	-	-
Depreciation during the year	-	0.49	1.22	0.69	1.32	0.06	1.25	60.65	**65.68**	1.61	0.01	**1.62**	-	-	-	-
Deduction during the Year	-	-	-	-	-	0.02	-	1.54	**1.56**	-	-	**-**	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	**-**	-	-	**-**	-	-	-	-
Closing Accumulated Depreciation	**-**	**1.96**	**4.27**	**3.00**	**3.18**	**0.18**	**6.09**	**208.82**	**227.50**	**6.33**	**0.12**	**6.45**	**-**	**-**	**-**	**-**
Net Carrying Amount	**16.53**	**41.56**	**52.18**	**1.85**	**3.56**	**0.42**	**3.18**	**831.52**	**950.80**	**3.89**	**-**	**3.89**				
Year Ended 31st March, 2020																
Gross Carrying Value																
Opening Gross Carrying Amount	16.53	43.52	56.45	4.85	6.74	0.60	9.27	1,040.35	**1,178.31**	10.22	0.12	**10.34**	11.96	1.40	-	**13.36**
Addition during the Year	27.29	-	5.33	0.42	3.62	-	0.04	199.13	**235.83**	5.66	-	**5.66**	9.81	3.41	1.43	**14.65**
Deduction during the Year	-	-	-	-	0.01	0.37	-	-	**0.38**	-	-	**-**	-	-	-	**-**
Ind AS 116 Transition	-	(43.52)	-	-	-	-	-	-	**(43.52)**	-	(0.12)	**(0.12)**	43.64	-	-	**43.64**
Closing Gross Carrying Value	**43.82**	**-**	**61.78**	**5.27**	**10.35**	**0.23**	**9.31**	**1,239.48**	**1,370.24**	**15.88**	**-**	**15.88**	**65.41**	**4.81**	**1.43**	**71.65**
Accumulated Depreciation																
Opening Accumulated Depreciation	-	1.96	4.27	3.00	3.18	0.18	6.09	208.82	**227.50**	6.33	0.12	**6.45**	-	-	-	**-**
Depreciation during the year	-	-	1.27	0.73	1.68	0.06	1.03	41.79	**46.56**	2.05	-	**2.05**	1.75	0.91	0.08	**2.74**
Deduction during the Year	-	-	-	-	-	0.05	-	-	**0.05**	-	-	**-**	-	-	-	**-**
Ind AS 116 Transition	-	(1.96)	-	-	-	-	-	-	**(1.96)**	-	(0.12)	**(0.12)**	2.08	-	-	**2.08**
Closing Accumulated Depreciation	**-**	**-**	**5.54**	**3.73**	**4.86**	**0.19**	**7.12**	**250.61**	**272.05**	**8.38**	**-**	**8.38**	**3.83**	**0.91**	**0.08**	**4.82**
Net Carrying Amount	**43.82**	**-**	**56.24**	**1.54**	**5.49**	**0.04**	**2.19**	**988.87**	**1,098.19**	**7.50**	**-**	**7.50**	**61.58**	**3.90**	**1.35**	**66.83**

Notes:

a) **Impairment of Property, Plant & Equipments and Intangible Assets**

Management has carried out a review, of the carrying value of assets as March 31, 2020 in accordance with the provisions of Ind AS – 36 Impairment of Assets. Based on this review, the management is of the opinion, that there are no impairment indicators that necessitate any adjustments to the carrying value of the assets. The same has been relied by the auditor.

b) In respect of Leases that were classified as finance lease, applying Ind AS 17, an amount of ₹ 43.64 Cr from Gross carrying value and ₹ 2.08 Crore from accumlated depreciation has been reclassified from Property, Plant,Equipments and Intangible Assets to Right-of-use Lease asset

c) Refer note 18 for Securities

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

4 Capital Work-in-progress

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Capital Work in Progress (Refer note below)	181.48	85.61
Capital Inventory	160.58	104.86
Total	**342.06**	**190.47**

Note: Includes expenditure directly attributable to construction period of ₹ 61.66 Crores (31st March, 2019 : ₹ 26.07 Crores) (Refer note 40)

5 Non - Current Investments

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Investments measured at Cost		
Investment in unquoted Equity Shares of Jointly Controlled Entity (fully paid)		
Indian Oil -Adani Gas Private Limited		
29,10,00,000 Shares (31st March, 2019: 18,55,00,000 Shares)	281.56	175.97
Total	**281.56**	**175.97**
Aggregate value of unquoted investments	281.56	175.97

6 Other Non - Current Financial Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	25.08	7.23
Interest accrued and due on deposits	2.08	1.94
Interest accrued and not due on deposits	0.03	0.03
Total	**27.19**	**9.20**

7 Income Tax Assets (Net)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Advance Payment of Income Tax (net of provisions)	15.82	11.26
Total	**15.82**	**11.26**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

8 Other Non - Current Assets

(Unsecured Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital advances	47.69	1.34
Balance with Government Authorities	5.92	6.13
Total	**53.61**	**7.47**

Note: Refer note 46 for Related Party Balances

9 Inventories

(At lower of Cost or Net Realisable Value)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Stock of Natural Gas	0.97	1.31
Stores and spares	40.33	42.65
Total	**41.30**	**43.96**

Note: Refer note 18 for security

10 Trade Receivables

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good	61.17	82.79
Unsecured, credit impaired	0.88	1.28
	62.05	**84.07**
Allowances for Expected Credit Losses	(0.88)	(1.28)
Total	**61.17**	**82.79**

Note:

i) Refer note 18 for security

ii) Refer note 46 for balances with related party

11 Cash and Cash Equivalents

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks		
- In current accounts	19.62	136.36
- Deposit with original maturity of less than 3 months	69.00	22.85
Cash on hand	-	0.04
Total	**88.62**	**159.25**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

12 Bank balances other than Cash and Cash equivalents

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Balances held as Margin Money	0.80	0.48
Fixed Deposits (with original maturity for more than three months)	0.03	0.03
Earmarked balances in unclaimed dividend accounts	0.02	-
Total	**0.85**	**0.51**

13 Current Loans

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans to related parties	311.22	359.02
Loan to employees	0.26	0.20
Total	**311.48**	**359.22**

Note: Refer note 46 for Related Party Balances

14 Other Current Financial Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest accrued but not due on deposits	0.04	0.04
Contract Asset - Unbilled Receivable (refer note 47)	16.97	13.70
Other Receivables from Related Parties	8.38	3.59
Total	**25.39**	**17.33**

Note: Refer note 46 for Related Party Balances

15 Other Current Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance for supply of goods or services	2.39	1.92
Balances with Government authorities	8.62	7.74
Prepaid Expenses	18.25	0.84
Total	**29.26**	**10.50**

Note: Refer note 46 for Related Party Balances

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

16 Equity Share Capital

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Authorised Share Capital		
5,09,95,00,000 (as at 31st March, 2019 - 5,09,95,00,000) equity shares of ₹ 1/- each	509.95	509.95
Total	**509.95**	**509.95**
Issued, Subscribed and fully paid-up equity shares		
1,09,98,10,083 (As at 31st March, 2019 - 1,09,98,10,083) Fully paid up Equity shares of ₹ 1/- each	109.98	109.98
Total	**109.98**	**109.98**

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
Equity Shares				
At the beginning of the year	1,09,98,10,083	109.98	1,09,98,10,083	109.98
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,09,98,10,083**	**109.98**	**1,09,98,10,083**	**109.98**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. The dividend proposed by the Board of Directors if any, is subject to the approval of shareholders in the ensuring Annual General Meeting, except in case of interim dividend.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 1 each fully paid				
Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf S. B. Adani Family Trust)	40,22,95,584	36.58%	61,96,97,910	56.35%
Adani Tradeline LLP	-	-	9,94,91,719	9.05%
Total Holdings SAS	41,13,31,740	37.40%	-	-

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

17 Other Equity

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
(A) Capital Reserve		
Balance as at the beginning/end of the year	146.21	146.21
Total	**146.21**	**146.21**
(B) Retained Earnings		
Opening Balance	845.76	613.22
Add: Profit for the year	436.32	228.70
Add : Transition adjustment on account of Ind AS 115	-	4.45
Add: Other Comprehensive Income/(Loss)	(1.10)	(0.61)
Less: Dividend on Equity Shares	(54.99)	-
Less: Tax on Dividend	(11.30)	-
	1,214.69	**845.76**
Total	**1,360.90**	**991.97**

Nature and purpose of each reserve :

a) Capital Reserve

The capital reserve was created as per Composite scheme of arrangement among Adani Gas Holding Limited and Adani Gas Limited and Adani Enterprise Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013 approved by National Company Law Tribunal ("NCLT") Bench at Ahmedabad vide its order dated 3rd August, 2018. Hence, the same is not considered as a free reserve for the purpose of distribution of dividends.

b) Retained Earnings

The portion of profits not distributed among the shareholders are termed as retained earnings (free reserves). The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders, for distributing dividend and bonus or for any other purpose, as approved by the Board of Directors of the Company.

18 Non - Current Borrowings

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Secured borrowings		
Term Loans from Banks (refer note a & b)	297.50	345.71
Unsecured borrowings		
10% Cumulative Redeemable Preference Share (refer note c)	0.05	0.05
Total	**297.55**	**345.76**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

18 Non - Current Borrowings (Contd..)

Notes:

a) Security Details:

Rupee Term Loans from bank is secured by

- First pari passu charge and hypothecation charge over all present and future movable Plant and Machinery and other movable assets of the Company at Ahmedabad, Vadodara, Khurja and Faridabad.
- Second pari passu charge over all current assets uncalled capital , goodwill, cash flows, receivables, book debt and revenue, present & future, located or pertaing to Ahmedabad, Vadodara Khurja and Faridabad.

b) Repayment terms:

i) Long Term Rupee Term Loan of ₹ 182.35 Crores is repayable in 8 Quarterly Instalments of ₹ 6.51 Crores each from Q1 F.Y. 21 to Q4 F.Y. 22, 11 Quarterly Instalments of ₹ 10.42 Crores each from Q1 F.Y. 23 to Q3 F.Y. 25 and final instalment of ₹ 15.63 Crores in Q4 F.Y. 25 and said loan carries interest rate equal to the benchmark rate, presently @ 8.8% and is payable on monthly basis.

ii) Long Term Rupee Term Loan of ₹ 103.53 Crores is repayable at 9 Quarterly Instalments of ₹ 3.57 Crores each from Q1 F.Y. 21 to Q1 F.Y. 23, 10 Quarterly Instalments of ₹ 5.71 Crores each from Q2 F.Y. 23 to Q3 F.Y. 25 and instalment of ₹ 7.85 Crores in Q4 F.Y. 25 and final instalment of ₹ 6.43 Crores in Q1 F.Y. 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.10% and is payable on monthly basis.

iii) Long Term Rupee Term Loan of ₹ 61.50 Crores is repayable in 10 Quarterly Instalments of ₹ 2.05 Crores each from F.Y. 21 to Q2 F.Y. 23, 8 Quarterly Instalments of ₹ 3.28 Crores each from Q3 F.Y. 23 to Q2 F.Y. 25 and 4 Quarterly Instalments of ₹ 3.69 Crores each from Q3 F.Y. 25 to Q2 F.Y. 26 and said loan carries interest rate equal to the benchmark rate, presently @ 8.15% and is payable on monthly basis.

iv) For current maturities of long term borrowing, refer note 26 "Other Current Financial Liabilities".

c) Terms of Preference Share Capital

The Company has outstanding 50,000 10% Cumulative Redeemable Preference Shares ('CRPS') of ₹ 10 each issued at face value. Each preference shareholder has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference shareholders. These preference shares be redeemable at face value in one or more tranches provided however, that the Preference Shares shall anyways be redeemed in full within a maximum period of 3 years from the date of allotment of the Preference Shares. In the event of liquidation of the Company, the holder of CRPS will have priority over equity shares in the payment of dividend and repayment of capital.

19 Non - Current Lease Liability

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Finance lease obligations (Refer note 48)	21.20	-
Total	**21.20**	**-**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

20 Other Non - Current Financial Liabilities

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Retention Money	1.18	3.48
Total	**1.18**	**3.48**

21 Non - Current Provisions

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for compensated absences (Refer note 44)	4.15	3.06
Total	**4.15**	**3.06**

22 Deferred Tax Liabilities (net)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities		
Property, Plant & Equipment and Other Intangible assets	101.38	112.95
Gross Deferred Tax Liabilities	**101.38**	**112.95**
Deferred Tax Assets		
Employee Benefit Liability	3.49	2.75
Allowance for credit losses	0.22	0.45
Lease Liability net of Lease Assets	2.99	-
Others	4.41	7.73
Gross Deferred Tax Assets	**11.11**	**10.93**
Net Deferred Tax Liabilities	**90.27**	**102.02**

Refer Note 53 for the impact of concessional tax rate regime by way of The Taxation (Amendment) Act, 2019 incorporated in Finance Bill, 2020

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

22 Deferred Tax Liabilities (net) (Contd..)

a. Movement in Deferred Tax Liability (net) for the year ended 31st March 2020:

(₹ in Crores)

Particular	As at 1st April, 2019	Recognised in profit and loss	Recognised in OCI	As at 31st March,2020
Tax effect of items constituting deferred tax liabilities:				
Difference between book base and tax base of property, plant & equipment and Intangible Assets	112.95	(11.57)	-	101.38
Total	112.95	(11.57)	-	101.38
Tax effect of items constituting deferred tax asset:				
Employee Benefit Liability	2.75	0.37	0.37	3.49
Allowance for credit losses	0.45	(0.23)	-	0.22
Lease Liability net of Lease Assets	-	2.99	-	2.99
Others	7.73	(3.32)	-	4.41
Total	10.93	(0.18)	0.37	11.11
Net Deferred Tax Liability	102.02	(11.39)	(0.37)	90.27

b. Movement in Deferred Tax Liability (net) for the year ended 31st March 2019:

(₹in Crores)

Particular	As at 1st April, 2019	Recognised in profit and loss	Recognised in OCI	As at 31st March,2020
Tax effect of items constituting deferred tax liabilities:				
Difference between book base and tax base of property, plant & equipment and Intangible Assets	102.06	10.89	-	112.95
Total	102.06	10.89	-	112.95
Tax effect of items constituting deferred tax asset:				
Employee Benefit Liability	2.35	0.08	0.32	2.75
Allowance for credit losses	0.12	0.33	-	0.45
Others	-	7.73	-	7.73
Total	2.47	8.14	0.32	10.93
Net Deferred Tax Liability	99.59	2.75	(0.32)	102.02

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

23 Current Borrowings

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Secured Borrowings		
Trade Credits From Banks	57.26	-
Total	**57.26**	**-**

Notes:

Trade credits from Banks aggregating to ₹ 57.26 Crore are secured or to be secured by First Pari paasu charge over the current and moveable assets of the Geographical Areas allotted under 9th Round of CGD Bidding , exclusive charge over the capital goods purchased and subservient charge on all current assets and movable fixed assets, both present and future of the borrower. The same carries an interest rate in range of 8.05% p.a. to 8.50% p.a.

24 Current Lease Liability

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Finance lease obligations (Refer note 48)	4.05	-
Total	**4.05**	**-**

25 Trade Payables

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Trade Payables		
i. Total outstanding dues of micro and small enterprises	2.76	7.35
ii. Total outstanding dues of creditors other than micro and small enterprises	79.85	96.50
Total	**82.61**	**103.85**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.76	7.35
ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date	-	-
iv) The amount of interest due and payable for the year	-	-
v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

25 Trade Payables (Contd..)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006 (Contd..)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information on Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

26 Other Current Financial Liabilities

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Current maturities of non current borrowings (Secured) (refer note 18)	48.21	48.21
Interest accrued but not due on borrowings	2.59	2.97
Unclaimed Dividend	0.02	-
Security Deposit from Customers	313.51	269.72
Security Deposit from Contractors	1.03	0.95
Other payables		
- Retention money payable	29.33	19.84
- Capital Creditors	37.64	26.54
Total	**432.33**	**368.23**

27 Other Current Liabilities

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Revenue received in advance		
Contract Liability - Advances from Customers (Refer Note 47)	0.88	1.14
Statutory Liabilities	8.87	9.02
Total	**9.75**	**10.16**

28 Current Provisions

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee Benefits		
Provision for Gratuity (Refer note 44)	4.05	2.78
Provision for compensated absences (Refer note 44)	1.04	0.81
Total	**5.09**	**3.59**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

29 Current Tax Liabilities (net)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Provision for Tax (net of advance tax and tax deducted at source)	-	6.01
	-	6.01

30 Revenue from Operations

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from Contract with Customers		
Sale of Goods		
CNG Sales	947.56	851.74
PNG Sales	1,017.00	950.42
Sale of Services		
Connection Income	9.73	9.31
Transportation Income	3.65	2.43
Other Operating Revenues	12.96	9.59
Total	1,990.90	1,823.49

31 Other Income

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Income		
Inter Corporate Loans	30.22	68.51
Bank Deposits	1.46	2.64
Others	0.20	0.19
Foreign Exchange Fluctuation Gain	0.28	0.08
Net Gain on Sale / fair valuation of Current Investments	6.51	11.28
Net Gain on Sale of Property, plant and equipment	0.02	-
Liabilities no longer required written back	0.05	0.05
Sale of Stores and Spares	-	0.73
Corporate Guarantee Income	3.53	2.60
Other non-operating income	2.12	0.60
Total	44.39	86.68

32 Cost of Natural Gas and Traded Items

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Cost of Natural Gas	1,059.63	1,087.21
Total	1,059.63	1,087.21

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

33 Changes in Inventories

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Opening Stock of Finished Goods / Stock in Trade	1.31	6.75
Less: Closing Stock of Finished Goods / Stock in Trade	0.97	1.31
Total	**0.34**	**5.44**

34 Employee Benefits Expense

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, wages and Bonus	41.91	37.54
Contribution to Provident and Other Funds	2.73	2.13
Staff Welfare Expenses	2.82	2.33
Total	**47.46**	**42.00**

35 Finance costs

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on		
Term Loan	32.91	37.77
Security Deposit	4.12	3.46
Commercial Paper	-	2.68
Income Tax	1.08	0.81
Debentures	-	25.61
Finance lease liabilities	1.00	-
Others	0.02	0.03
Other Borrowing Costs		
Bank and Other Finance Charges	1.92	19.49
Total	**41.05**	**89.85**

36 Other Expenses

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of stores and spare parts	10.75	10.29
Job Work Charges	0.35	-
Power and fuel	35.39	32.29
Transportation Charges	5.65	3.81
Security Expenses	2.73	2.45
Facilitation Fees	0.58	0.91
Commission & Brokerage	1.76	1.37

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

36 Other Expenses (Contd..)

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent	10.61	3.20
Repairs and Maintenance		
Plant and Machinery	26.40	20.56
Buildings	1.19	0.82
Others	1.84	1.57
Insurance Expenses	0.67	0.51
Rates and Taxes	14.30	3.61
Fines & Penalties	6.41	-
Legal and Professional Expenses	25.20	18.16
Travelling and Conveyance Expenses	8.98	7.63
Advertisement and Business Promotion Expenses	3.28	7.91
Office Expenses	1.21	1.29
Communication & IT Expenses	7.44	5.74
Printing and Stationery Expenses	1.02	0.92
Donations	-	0.65
Corporate Social Responsibility Expenses (Refer note 43)	5.21	3.73
Directors' Sitting Fees	0.34	0.07
Commission to Non Executive Directors	0.43	0.19
Payment to Auditors		
Statutory Audit Fees	0.13	0.11
Others	0.01	-
Write-off for Doubtful Debt, Loans & Advances	0.32	-
Allowances for Credit Losses	(0.40)	0.94
Loss on Sale on Property, Plant & Equipment	-	0.33
Miscellaneous Expenses	0.56	0.61
Total	**172.36**	**129.67**

37 Exceptional Items

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Expenses on account of Composite Scheme of Arrangement	-	27.64
Total	**-**	**27.64**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

38 Income Tax

a. The major components of income tax expense for the years ended 31st March, 2020 and 31st March, 2019 are:

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Tax:		
Current Income Tax Charge	122.54	125.06
Total (a)	122.54	125.06
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(11.38)	2.75
Total (b)	(11.38)	2.75
Total (a+b)	111.16	127.81

b. Reconciliation of Income Tax Expense with Accounting Profit

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before Tax as per statement of Profit and Loss	547.40	356.52
Tax at companies domestic tax rate (Refer Note 53 for tax rate)	137.77	124.58
Tax Effect of :		
Restatement as per Ind AS 103	-	(0.21)
Expenses not deductible for tax purposes	2.17	1.05
Change in Tax Rate	(28.54)	-
Adjustment of earlier years	1.42	1.40
Others	(1.67)	0.99
Income Tax recognised in statement of profit and loss account at effective rate	111.16	127.81

Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company as advised by the Company's tax consultants. There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

39 Contingent Liabilities and Commitments (to the extent not provided for) :

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
(i) Contingent Liabilities :		
a) Pending labour matters contested in various courts	0.99	0.95
b) Cases pending in Consumer Forums	0.02	0.02
c) Cases pending in MACT	0.10	0.10
d) In respect of Service tax, Excise Duty and VAT	27.33	59.58
e) In respect of Income Tax	2.17	2.20
f) Special Civil Suits	0.25	0.25
g) Corporate Guarantee on behalf of JV Group	3,533.46	3,471.94
h) Case pending in NCLAT	-	25.67
Total	**3,564.32**	**3,560.70**

i) The Hon'ble Supreme Court (SC) has passed a judgement dated 28th February 2019, relating to components of salary structure to be included while computing the contribution to provident fund under the Employees Provident Fund Act, 1952. The Group's Management is of the view that there is considerable uncertainty around the timing, manner and extent in which the judgment will be interpreted and applied by the regulatory authorities. The Group will continue to assess any further developments in this matter for the implications on financial statements, if any. Currently, the Group has not considered any impact in these financial statements.

j) Gas suppliers have submitted a claim of ₹ 65.59 Crores pertaining to earlier years (FY 2013-14 to FY 2018-19) for use of allocated gas for other than specified purpose. The Company has refuted this claim contending that there is a gross error in actual domestic gas purchase and actual sales considered by the suppliers. The management is of the view that the Company is not liable to pay any such claim. The Company has already taken up the matter with concerned entities/authorities to withdraw the claim.

k) Haryana Shehri Vikas Pradhikaran ("HSVP") has raised demand notes of ₹. 33.03 crores against plot of lands allotted by HSVP to the Company for CNG gas stations. Presently the Company does not have any basis of the computation of the claim. The Company is regularly paying all the lease rentals and has made a requisite provision on the basis of the allotment letter. The Company is of the opinion that, as remaining amount is not clear and ascertainable and is beyond the terms of allotment letters, hence not provided in the books.

(ii) Commitments :

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of contract on capital account to be executed and note provided for (net of advance)	337.12	59.36
	337.12	**59.36**

Notes:

a) Interest on the above contingencies is not included in the above amounts wherever not ascertainable.

b) Management is not expecting any future cash outflow with respect to above litigations.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

40 Expenses Directly Attributable To Construction Period

The following expenses which are specifically attributable to construction of project are included in Capital Work-in-Progress (CWIP) :

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Opening Balances	26.07	14.85
Employee Benefits Expense	29.17	11.84
Finance Cost	6.44	1.89
Operating and Other Expenses	28.17	31.05
Project Expenses	1.37	0.34
	91.22	59.97
Less:		
Capitalisations	29.56	33.90
Closing Balances	61.66	26.07

41 Financial Instruments and Risk Review :

a) Financial Assets and Liabilities

The Group's principal financial assets include loans and trade receivables, cash and cash equivalents and other receivables. The Group's principal financial liabilities comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and projects.

b) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are 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-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

c) Disclosure of fair value measurement and fair value hierarchy for financial assets and liabilities

The following tables summarises carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented.

As at 31st March, 2020 :

(₹ in Crores)

Particulars	Refer Note	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	11	-	88.62	88.62
Other Bank balances	12	-	0.85	0.85

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

c) Disclosure of fair value measurement and fair value hierarchy for financial assets and liabilities (Contd..)

As at 31st March, 2020 : (Contd..)

(₹ in Crores)

Particulars	Refer Note	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Trade Receivables	10	-	61.17	61.17
Loans	13	-	311.48	311.48
Other Financial Assets	6, 14	-	52.58	52.58
Total		-	**514.70**	**514.70**
Financial Liabilities				
Borrowings	18, 23, 26	-	403.02	403.02
Lease Liability	19, 24	-	25.25	25.25
Trade Payables	25	-	82.61	82.61
Other Financial Liabilities	20, 26	-	385.30	385.30
Total		-	**896.18**	**896.18**

As at 31st March, 2019 :

(₹ in Crores)

Particular	Refer Note	Fair Value through profit or loss (Level-2)	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	11	-	159.25	159.25
Other Bank balances	12	-	0.51	0.51
Trade Receivables	10	-	82.79	82.79
Loans	13	-	359.22	359.22
Other Financial Assets	6, 14	-	26.53	26.53
Total		-	**628.30**	**628.30**
Financial Liabilities				
Borrowings	18, 23, 26	-	393.97	393.97
Trade Payables	25	-	103.85	103.85
Other Financial Liabilities	20, 26	-	323.50	323.50
Total		-	**821.32**	**821.32**

Notes :

(a) Investments exclude Investment in Joint Venture.

(b) Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

d) Financial Instruments and Financial Risk Review

In the ordinary course of business, the Group is mainly exposed to risks resulting from interest rate movements, exchange rate fluctuation collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

d) Financial Instruments and Financial Risk Review (Contd..)

The Group's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Group. The Management ensures appropriate risk governance framework for the Group through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies and risk objectives., the Group is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Group through appropriate policies and procedures and that financial risks are identified, measured and mitigated in accordance with the Group's policies and risk objectives.

For Group's total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Total Borrowings	403.02	393.97

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the Parent Group's profit for the year would increase or decrease as follows

(₹ in Crores)

Paritculars	For the year ended 31st March, 2019	For the year ended 31st March, 2019
Impact on profit before tax for the year	2.02	1.98

ii) Foreign Currency Risk

Foreign Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the company's operating and financing activities. Since, the transactions in foreign currency are limited, the exposure to foreign currency risk is minimal and hence no hedging is opted.

Notes to Consolidated financial statements

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41 Financial Instruments and Risk Review : (Contd..)

ii) Foreign Currency Risk (Contd..)

The details of foreign currency exposures not hedged by derivative instruments are as under :-

(₹ in Crores)

Particulars	Currency	As at 31st March, 2020		As at 31st March, 2019	
		Forex	(₹ in Crores)	Forex	(₹ in Crores)
Trade Payables	USD	1,16,100	0.88	-	-

(Closing rate as at 31st March, 2020 : INR/USD-75.665 and as at 31st March, 2019 : INR/USD-69.155).

iii) Price risk

The Company's exposure to price risk in the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. Management monitors the prices closely to mitigate its impact on profit and cash flows. Since these investments are insignificant, the exposure to equity price changes is minimal.

The Company has given corporate guarantees to fulfil the collateral requirements of the joint ventures companies. The counterparties have an obligation to return the guarantees to the Company. There are no other significant terms and conditions associated with the use of guarantee.

iv) Credit risk

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Group. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments is managed by the Group's treasury team in accordance with the Group's risk management policy. Cash and cash equivalents and Bank deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Movement in expected credit loss allowance on trade receivables

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance of Credit Losses	1.28	0.34
Changes during the year	(0.40)	0.94
Closing Balance of Credit Losses	0.88	1.28

v) Liquidity Risk

Liquidity risk refers the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

41 Financial Instruments and Risk Review : (Contd..)

Maturity profile of financial liabilities :

The table below provides details regarding contractual maturities of non-derivative financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Crores)

As at 31st March, 2020	Refer Note	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	18, 23, 26	105.47	283.77	13.72	402.96
Trade Payables	25	82.61	-	-	82.61
Lease Liability	19,24	4.05	10.95	10.26	25.25
Other Non Current Financial Liabilities	20	-	1.18	-	1.18
Other Current Financial Liabilities	26	384.12	-	-	384.12

(₹ in Crores)

As at 31st March, 2019	Refer Note	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	18, 23, 26	48.21	246.52	99.24	393.97
Trade Payables	25	103.85	-	-	103.85
Other Non Current Financial Liabilities	20	-	3.48	-	3.48
Other Current Financial Liabilities	26	320.02	-	-	320.02

e) Capital Management

For the purpose of the Parent Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Parent Company. The primary objective of the Parent Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Parent Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

(₹ in Crores)

Paritculars	Note	As at 31st March, 2020	As at 31st March, 2019
Net debt (total debt less cash and cash equivalents) (A)	18, 23, 26, 11 and 12	313.55	234.21
Total capital (B)	16 and 17	1470.88	1101.95
Total capital and net debt C=(A+B)		1784.43	1336.16
Gearing ratio (A/C)		**18%**	**18%**

Management monitors the return on capital, as well as the level of dividends to equity shareholders. In order to achieve this overall objective, the Parent Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2020 and 31st March, 2019.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

42 Earning Per Share (EPS)

Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

(₹ in Crores)

Paritculars	UOM	For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
Basic and Diluted EPS			
Net Profit after tax attributable to Equity Shareholders	(₹ in Crores)	436.32	228.70
Weighted Average Number of Equity Shares for basic and diluted EPS	No	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	1	1
Basic and Diluted EPS	₹	3.97	2.08

43 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally being carried out through Adani Foundation a Charitable Trust set up by the Group, whereby funds are allocated from the Company. The Charitable Trust carries out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company. During the year, Company was required to spend CSR expense of ₹ 5.21 Crores (31st March, 2019 : ₹ 3.73 Crores) as per requirement of Section 135 of Companies Act, 2013 and had spent ₹ 5.21 Crores (31st March, 2019 : ₹ 3.73 Crores) for the year.

(₹ in Crores)

Paritculars	Amount contributed	Amount yet to be contributed	Total
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	5.21	-	5.21
Total	**5.21**	**-**	**5.21**

44 The Company has made provision in the accounts for Gratuity based on actuarial valuation. The particulars under the Ind AS 19 "Employee Benefits" furnished below are those which are relevant and available to the Company for this year.

a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under:

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Provident Fund	1.47	1.17
Super Annuation Fund	0.04	0.06
Total	**1.51**	**1.23**

b) Defined Benefit Obligations :

The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

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as at and for the year ended 31st March, 2020

44 (Contd..)

b) Defined Benefit Obligations : (Contd..)

Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Aforesaid post-employment benefit plans typically expose the Parent Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	:	These Plans invest in long term debt instruments such as Government securities and highly rated corporate bonds. The valuation of which is inversely proportionate to the interest rate movements. There is risk of volatility in asset values due to market fluctuations and impairment of assets due to credit losses.
Interest Risk	:	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.
Longevity Risk	:	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	:	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	8.47	6.35
Current Service Cost	1.20	0.79
Past Service Cost	-	-
Interest Cost	0.65	0.51
Employee Transfer in / transfer out (net)	0.21	0.25
Benefit paid	(0.81)	(0.44)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.64)	-
change in financial assumptions	1.25	0.20
experience variance (i.e. Actual experiencevs assumptions)	0.44	0.81
Present Value of Defined Benefits Obligation at the end of the Year	**10.77**	**8.47**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

44 (Contd..)

b) Defined Benefit Obligations : (Contd..)

(₹ in Crores)

Paritculars	As at 31st March, 2020	As at 31st March, 2019
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	5.69	3.82
Investment Income	0.43	0.29
Return on plan asset excluding amount recognised in net interest expenses	(0.42)	0.09
Contributions	1.85	1.93
Benefit paid	(0.81)	(0.44)
Fair Value of Plan assets at the end of the Year	**6.74**	**5.69**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	10.77	8.47
Fair Value of Plan assets at the end of the Year	6.74	5.69
Net Asset / (Liability) recognized in balance sheet as at the end of the year	**(4.03)**	**(2.78)**
iv. Gratuity Cost for the Year		
Current service cost	1.20	0.79
Interest cost	0.65	0.51
Expected return on plan assets	-	-
Actuarial Gain / (Loss)	-	-
Past service cost-vested benefit recognised during the year	-	-
Investment income	(0.43)	(0.29)
Net Gratuity cost	**1.42**	**1.01**
v. Other Comprehensive income		
Actuarial (gains) / losses		
Change in demographic assumptions	(0.64)	-
Change in financial assumptions	1.25	0.20
Experience variance (i.e. Actual experiencevs assumptions)	0.44	0.81
Actuarial (gain)/loss arising because of change in effect of asset ceiling	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.42	(0.09)
Components of defined benefit costs recognised in other comprehensive income	**1.47**	**0.92**
vi. Actuarial Assumptions		
Discount Rate (per annum)	6.70%	7.60%
Annual Increase in Salary Cost	8.00%	8.00%
Mortality Rate During employment	IALM(2012-14)	IALM(2006-08)
Attrition Rate	5.67%	1.00%

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

44 (Contd..)

vii. Sensitivity Analysis

Significant actuarial assumptions for the detemination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.The results of sensitivity analysis is given below:

(₹ in Crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	11.86	9.83	9.60	7.52
Salary Growth Rate (- / + 1%)	9.84	11.82	7.52	9.58
Attrition Rate (- / + 50%)	11.12	10.51	8.49	8.45
Mortality Rate (- / + 10%)	10.77	10.77	8.47	8.47

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

viii. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is ₹ 5.35 Crore.

c) Maturity Profile of Defined Benefit Obligation

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31st March 2019: 13 years). The expected maturity analysis of gratuity benefits is as follows :

Expected cash flows over the next (valued on undiscounted basis):	(₹ in Crores)
1 year	0.73
2 to 5 years	3.65
6 to 10 years	5.22
More than 10 years	13.35

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

44 (Contd..)

ix. Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

c) Compensated absences/ leaves:

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2020 is ₹ 5.20 Crores (31st March 2019: ₹ 3.87 Crores).

45 Pursuant to Para B14 of Ind AS 112, Disclosure of Interest in Other Entities, following is the disclosure relating to Joint Venture of the entity:

The Parent Company has a Joint Venture interest in Indian Oil Adani Gas Private Limited, a Company incorporated under the Companies Act, 2013. As at 31st March, 2020, the Parent Company has invested a sum of ₹ 291 Crores (31st March, 2019: ₹ 185.50 Crores)

Assets, liabilities , income & expenditure, contingent liabilities and capital commitments of the Joint Venture are as given below:

(₹ in Crores)

Particulars	2019-20 (Unaudited)	2018-19 (Audited)
	IndianOil-Adani Gas Private Limited	
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	167.62	76.31
Non Current Assets	1,343.65	1,033.29
Current Liabilities	206.73	136.44
Non Current Liabilities	741.44	621.22
Income	311.53	167.67
Profit/(Loss) for the year	0.15	(0.03)
Other Comprehensive Income	0.01	(0.01)
Total Comprehensive Income	0.17	(0.04)
Contingent Liabilities	0.27	0.27
Capital Commitments	414.99	239.77

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

46 Related party transactions

a. List of related parties and relationship

The Management has identified the following entities and individuals as related parties of the Parent Company for the year ended 31st March, 2020 for the purpose of reporting as per Ind AS 24 Related Party Disclosure which are as under:-

Ultimate Controlling Entity	:	S. B. Adani Family Trust (SBAFT) Total Holdings SAS (THS)
Joint Venture Entity	:	IndianOil-Adani Gas Private Limited
Entities under common control / associate Entities (with whom transactions are done)	:	Adani Enterprises Limited Adani Power Limited Adani Power (Mundra) Limited Adani Foundation Karnavati Aviation Private Limited Adani Township & Real Estate Company Private Limited Shantikrupa Estates Private Limited Belvedere Golf and Country Club Private Limited Adani Infra (India) Limited Adani Agri Fresh Limited Adani Institute for Education and Research Adani Green Energy Limited Adani Wind Energy (GJ) Limited Adani Estate Management Private Limited Adani Ports and Special Economic Zone Limited
Board of Directors and Key Managerial Personnel	:	Mr. Gautam S. Adani, Chairman Mr. Pranav V. Adani, Director Mr. Alexis Thelemaque, Additional Director (w.e.f. 14.02.2020) Mr. Suresh P Manglani, Executive Director (upto 05.02.2020) Mr. Maheshwar Sahu, Independent Director Mrs. Chandra Iyengar, Independent Director Mr. Naresh Kumar Nayyar, Independent Director Mr. Suresh P Manglani, Chief Executive Officer (w.e.f. 05.02.2020) Mr. Parag Parikh, Chief Financial Officer (w.e.f. 25.09.2019) Mr. Gunjan Taunk, Company Secretary

Terms and conditions of transactions with related parties

i) The Company is dealing in the CNG & PNG sales to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of CNG & PNG Gas sales to the related parties in ordinary course of business, as all such transactions are done at Arm's Length Price only. As per Para 11(c) (iii) of Ind AS-24 "Related Party Disclosures", normal dealings of Company with related parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.

ii) Outstanding balances of related parties at the year-end are unsecured.

iii) Remuneration to Key Managerial Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

iv) Reimbursement to associate entity includes amount of cost allocation of remuneration to some of the Key Managerial Personnel.

v) All above figures are net of taxes wherever applicable.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

46 Related party transactions (Contd..)

b. Transactions with Related Parties

(0.00 denotes amount less than ₹ 50,000)

(₹ in Crores)

Sr No.	Related Party	Nature of Transaction	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1	Adani Enterprises Limited	Loan Given	27.20	176.30
		Loan Received back	75.00	1,177.06
		Purchase of Inventories	-	12.53
		Services Availed	8.27	8.22
		Transfer-in of Employee Liabilities	0.02	0.48
		Transfer-out of Employee Liabilities	0.05	0.00
		Receipt of Interest on Loan	30.22	68.51
2	Adani Power Limited	Purchase of Fixed Asset	-	0.01
3	Adani Power (Mundra) Limited	Services Availed	0.00	-
4	Adani Foundation	Donation	5.21	3.73
5	Karnavati Aviation Private Limited	Services Availed	3.00	2.40
6	Belvedere Golf and Country Club Private Limited	Services Availed	-	0.05
7	Shantikrupa Estates Private Limited	Services Availed	6.33	3.47
8	Adani Township & Real Estate Company Private Limited	Services Availed	0.00	0.00
9	Adani Ports and Special Economic Zone Limited	Rent Expense	1.74	0.43
		Services Availed	0.61	-
		Transfer-in of Employee Liabilities	0.05	-
10	Adani Infra (India) Limited	Transfer-in of Employee Liabilities	0.17	-
11	Adani Agri Fresh Limited	Services Availed	0.00	-
12	Adani Institute for Education and Research	Services Availed	0.12	-
13	Adani Green Energy Limited	Transfer-in of Employee Liabilities	0.11	-
14	Adani Wind Energy (GJ) Limited	Transfer-in of Employee Liabilities	0.01	-
15	Shantigram Estate Management Private Limited	Transfer-in of Employee Liabilities	0.00	-
16	IndianOil-Adani Gas Private Limited	Sale of Inventory	-	0.06
		Purchase of Capital Inventory	4.00	-
		Sale of Natural Gas	2.87	-
		Purchase of Natural Gas	0.26	-
		Services Rendered	5.93	2.79
		Services Availed	0.01	-
		Corporate Guarantee Commission	3.53	2.60
		Investment in Equity	105.50	51.50
17	Mr. Rajeev Sharma	Short-term Benefits	-	2.25
18	Mr. Naresh Poddar	Short-term Benefits	-	0.91
19	Mr. Suresh P Manglani	Short-term Benefits	2.87	0.69
20	Mr. Parag Parikh	Short-term Benefits	1.62	-
21	Mr. Maheshwar Sahu	Director Sitting Fees	0.11	0.02
		Commission	0.12	0.05
22	Mrs. Chandra Iyengar	Director Sitting Fees	0.09	0.02
		Commission	0.12	0.05
23	Mr. Naresh Kumar Nayyar	Director Sitting Fees	0.09	0.02
		Commission	0.12	0.05

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

46 Related party transactions (Contd..)

c. Balances With Related Parties

(₹ in Crores)

Sr No.	Related Party	Nature of Balances	For the year ended 31st March, 2020	For the year ended 31st March, 2019
1	Adani Enterprises Limited	Trade Payables	1.19	3.39
		Other Current Financial Assets	0.02	-
		Current Loans	311.22	359.02
2	Adani Ports and Special Economic Zone Limited	Trade Payables	0.59	0.47
		Other Non - Current Financial Assets	0.43	-
		Other Current Financial Assets	0.05	-
3	Adani Power (Mundra) Limited	Other Current Financial Assets	0.01	0.01
		Trade Payables	0.00	-
4	Belvedere Golf and Country Club Private Limited	Trade Payables	-	0.01
5	Adani Township & Real Estate Company Private Limited	Trade Payables	-	0.00
6	Shantigram Estate Management Private Limited	Trade Payables	0.00	-
7	Adani Green Energy Limited	Other Current Financial Assets	0.11	-
8	Adani Wind Energy (GJ) Limited	Other Current Financial Assets	0.01	-
9	Adani Infra (India) Limited	Other Current Financial Assets	0.17	-
10	Karnavati Aviation Private Limited	Trade Payables	0.26	0.27
11	Shantikrupa Estates Private Limited	Trade Payables	0.30	0.67
		Other Non Current Assets	4.59	1.06
12	IndianOil-Adani Gas Private Limited	Other Current Financial Assets	9.46	3.88
		Trade Receivables	0.66	-
		Trade Payables	0.29	-
		Other Current Financial Liabilities	4.72	-
		Corporate Guarantee	3,533.46	3,471.94

d. Following are the details of loans and advances in nature of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53(f) read together with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended

(₹ in Crores)

Name of Entity	Closing Balance as at 31st March, 2020	Maximum amount outstanding during the year
Adani Enterprises Limited		
Current Year	311.22	359.02
Previous Year	359.02	1,359.87

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

47 Contract Balances

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Crores)

Paritculars	Refer note	As at 31st March, 2020	As at 31st March, 2019
Trade receivables	10	61.17	82.79
Contract assets	14	16.97	13.70
Contract liabilities	27	0.88	1.14

The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

(b) Significant changes in contract assets and liabilities during the period:

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020
Contract assets reclassified to receivables	13.70
Contract liabilities recognised as revenue during the year	1.14

(c) Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue as per contracted price	1,990.90	1,823.49
Adjustments		
Discounts	-	-
Revenue from contract with customers	**1,990.90**	**1,823.49**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

48 Leases

i) Transition to Ind AS 116 Leases:

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1st April, 2019, the Group has adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. The Group has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

The Group has elected below practical expedients on transition to Ind AS 116:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment made applying Ind AS 17 Leases. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Group has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

The Group has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 9.75%.

ii) The movement in Lease liabilities during the year ended 31st March, 2020

(₹ in Crores)

Particulars	As at 31st March, 2020			
	Land	Building	Computer	Total
Balance as at 1st April, 2019 (adoption of Ind AS 116)	11.96	1.40	-	13.36
Additions during FY 2019-20	8.47	3.41	1.43	13.31
Finance costs incurred during the year	1.28	0.31	0.04	1.63
Payments of Lease Liabilities	1.85	1.05	0.15	3.05
Balance as at 31st March, 2020 (refer note 19 & 24)	**19.86**	**4.07**	**1.32**	**25.25**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

48 Leases (Contd..)

iii) The carrying value of the Rights-of-use and depreciation charged during the year

(₹ in Crores)

Paritculars	As at 31st March, 2020
Opening Gross Carrying Value	43.64
Addition to the Right of Use of Asset on account of transition to Ind AS 116 - Lease Accounting	13.36
Addition to Right of use assets during the year	14.65
Right of use assets as at end of the year	**71.65**
Accumulated Depreciation	
Opening Value of Accumulated Depreciation	2.08
Depreciation charged for the year	2.74
	4.82

iv) Amount Recognised in Profit & Loss Account during the Year

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(i) Expenses related to Short Term Lease & Low Asset Value Lease	2.37	-
(ii) Lease Expenses	-	3.20
Total	**2.37**	**3.20**

v) Amounts recognised in statement of cash flows

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020
Total cash outflow for leases	**3.05**

vi) Maturity analysis of lease liabilities

(₹ in Crores)

Paritculars	For the year ended 31st March, 2020
Maturity Analysis of contractual undiscounted cash flows	
Less than one year	4.23
One to five years	14.22
More than five years	25.31
Total undiscounted lease liabilities as at 31st March, 2020	43.77
Balances of Lease Liabilities	
Non-Current lease liabilities	4.05
Current lease liabilities	21.20
Total Lease Liability	**25.25**

Note : In future when the dispute related to HSVP gets settled and in case it is required to change in estimate of cashflows, lease modification guidance would be applicable under Ind AS 116, and to be accounted accordingly during that period. (Refer note : 39)

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

49 Additional information of net assets and share in profit or loss contributed by the Parent Company and its Joint Venture as required under Schedule III of the Companies Act, 2013.

(₹ in Crores)

Particulars	Net Assets i.e. Total Assets less Total Liabilities		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net Assets	₹ in Crores	As % of consolidated Profit or Loss	₹ in Crores	As % of consolidated Other Comprehensive Income	₹ in Crores	As % of consolidated Total Comprehensive Income	₹ in Crores
Adani Gas Limited	101%	1,480.32	100%	436.24	101%	(1.11)	100%	435.13
Joint Ventures								
IndianOil - Adani Gas Private Limited	-1%	(9.45)	0%	0.08	-1%	0.01	0%	0.09
Total	**100%**	**1,470.87**	**100%**	**436.32**	**100%**	**(1.10)**	**100%**	**435.22**

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

50 In accordance with para 51 of Ind AS 16, useful life has been reviewed during the year. Based on this review, the useful life of certain class of plant and machinery have been revised as specified in accounting policies w.e.f 1st April, 2019. Management believes that the same better represents the economic benefits expected to accrue from use of the assets. The impact of this change has been accounted prospectively from 1st April 2019. Accordingly, depreciation charge for the financial year 2019-20 has been reduced by ₹ 22.60 Crores.

51 Other Disclosures

a) An amount of ₹ 6.87 Crores (P.Y. ₹ 6.87 Crores) is standing as CENVAT credit receivable being the difference between the amount of CENVAT credit availed in the books of account on Input, Capital Goods and Input Services and the credit claimed under statutory returns. Out of this, the Group has made application to the Excise & Service Tax department for availing this credit of ₹ 6.87 Crores in statutory returns.

b) In the opinion of the Management and to the best of their knowledge and belief, the classification under the head of Current and Non-Current Assets (other than Property, Plant and Equipment and Non-Current Investments), are approximately of the value stated, if realized in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

c) Petition against the company was filed before PNGRB alleging violation of certain provisions pertaining to works in petitioner's authorized Geographical Area. Correspondingly, a Special Leave petition is filed by the company before Hon'ble Supreme Court of India challenging the authorization coupled with constitutional validity of Regulation 18 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 in reference to outer areas of Ahmedabad which is pending for disposal and consequently PNGRB proceedings are adjourned sine die due to such pendency at Apex Court at the reporting date.

d) Item of expenditure in Consolidated Statement of Profit & Loss includes reimbursement to and by the Company, as agreed upon between group Companies.

e) Security Deposit include amount of ₹ 2.09 Crore and interest due thereon of ₹ 2.11 Crore are outstanding for a substantial period of time. The Group has been actively negotiating for recovery, periodic confirmation of balances are taken and the management is reasonably confident of recovery against the same.

f) The Group has constructed building and facilities for processing and distribution of natural gas on plots allotted on long term lease by Ahmedabad Municipal Corporation and has paid rent accordingly.

52 Details of Loans given, Investments made and Guarantee given or security provided covered u/s 186 (4) of the Companies Act, 2013 are given under respective heads (refer notes 5 and 46).

53 On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1st April, 2019, subject to certain conditions. The Company has decided to opt for the reduced corporate tax rates effective from 1st April, 2019. Accordingly, the Company has recognised Provision for Income Tax and has re-measured its deferred taxes as per the provisions of the Ordinance. This has resulted in a reduction of deferred tax liability by ₹ 28.54 Crores on account of remeasurement of deferred tax liability as at 31st March, 2020.

54 The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified Gas retail outlets among the essential services which continued to operate during lock down in the crisis situation of COVID-19. The Company has considered the possible effects on the carrying amounts of financial assets including receivables, inventories and unbilled revenues. The Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Notes to Consolidated financial statements

as at and for the year ended 31st March, 2020

55 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 8th May, 2020, there are no subsequent events to be recognized or reported that are not already disclosed.

56 Approval of financial statements

The financial statements were approved for issue by the board of directors on 8th May, 2020.

As per our attached report of even date

For **SHAH DHANDHARIA & CO.**
Chartered Accountants
Firm Registration Number : 118707W

SHUBHAM ROHATGI
Partner
Membership No. 183083

Place : Ahmedabad
Date : 8th May, 2020

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Form No. AOC - 1

Salient features of the financial statement of Joint Venture as per Companies Act, 2013

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, related to Joint Venture)

Joint Venture

(₹ in Crores)

Sr. No.	Name of Joint Venture	Latest Audited Balance Sheet Date	Share held by the company at the year end		Extent of Holding %	Description of Significant Influence	Reason why not Consolidated	Networth Attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the Year	
			No. of Shares	Amount of Investment					Considered in Consolidation	Not Considered in Consolidation
1	Indian Oil Adani Gas Pvt Ltd	31/03/2019	29,10,00,000	291.00	50%	Note-A	N.A.	281.55	0.08	-

NOTE-A

There is a significant influence due to percentage (%) of shareholding.

For and on behalf of the Board
ADANI GAS LIMITED

GAUTAM S. ADANI
Chairman
DIN 00006273

ALEXIS THELEMAQUE
Director
DIN 08563003
Place : Mumbai

SURESH P MANGLANI
Chief Executive Officer
Place : Mumbai

PARAG PARIKH
Chief Financial Officer

GUNJAN TAUNK
Company Secretary

Place : Ahmedabad
Date : 8th May, 2020

Notice

NOTICE is hereby given that the 15th Annual General Meeting of Adani Gas Limited will be held on Friday, 26th June, 2020 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.

2. To confirm the payment of Interim dividend on Equity Shares.

3. To declare dividend on Preference Shares.

4. To appoint a Director in place of Mr. Gautam S. Adani (DIN: 00006273), who retires by rotation and being eligible offers, himself for re-appointment.

SPECIAL BUSINESS

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

   "RESOLVED THAT Mr. Alexis Thelemaque (DIN: 08563003), who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 ("Act") and Articles of Association of the Company and who holds officer upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records maintained for Petroleum Products of the Company for the financial year ending 31st March, 2021, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, the Registered Office of the Company be shifted from "Adani House", Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380009 to "Adani Corporate House", Shantigram, Near Vaishnav Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, which is outside the local limits of the city, but within the same state falling under the jurisdiction of Registrar of Companies, Gujarat.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to file necessary forms and documents, as may be required and to do all such acts, deeds and things as may be deemed fit and proper for shifting of registered office of the Company."

For and on behalf of the Board

Date : 27th May, 2020
Place : Ahmedabad

Gunjan Taunk
Company Secretary

Regd. Office: "Adani House",
Near Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009
Gujarat, India.
CIN : L40100GJ2005PLC046553

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 15th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note No. 16 and available at the Company's website www.adanigas.com.

2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 1800-222-990.

3. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

4. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated 12th May, 2020, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.adanigas.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. The Register of members and share transfer books of the Company will remain closed from Friday, 19th June, 2020 to Friday, 26th June, 2020 (both days inclusive) for the purpose of Annual General Meeting.

8. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

9. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

10. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.

12. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. Process and manner for members opting for voting through Electronic means:

    i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL"), as the Authorised e-Voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 19th June, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

    iii. A person who has acquired the shares and has become a member of the Company after the despatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 19th June, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Monday, 22nd June, 2020 at 9.00 a.m. and will end on Thursday, 25th June, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Friday, 19th June, 2020, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.

    v. Once the vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again.

    vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Friday, 19th June, 2020.

    vii. The Company has appointed CS Ravi Kapoor, Practising Company Secretary (Membership No. FCS: 2587; CP No: 2407), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

    viii. The procedure and instructions for remote e-voting are, as follows:

    Step 1: Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

    Step 2: Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

    Step 3: A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

    Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

    Step 4: Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Step 5: Your password details are given below:

(a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

(c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

Step 6: If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

Step 7: After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Step 8: Now, you will have to click on "Login" button.

Step 9: After you click on the "Login" button, Home page of e-Voting will open.

Step 10: After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

Step 11: Select "EVEN" of company for which you wish to cast your vote.

Step 12: Now you are ready for e-Voting as the Voting page opens.

Step 13: Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

Step 14: Upon confirmation, the message "Vote cast successfully" will be displayed.

Step 15: You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Step 16: Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

ix. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ravi@ravics.com with a copy marked to evoting@nsdl.co.in.

x. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

14. Process for those shareholders whose email ids are not registered with the depositories for procuring

user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice :

a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.agl@adani.com.

b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.agl@adani.com.

c) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

15. The instructions for members for e-Voting on the day of the AGM are as under:-

a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b) Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

16. Instructions for members for attending the AGM through VC/OAVM are as under:

a) Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

b) Members are encouraged to join the Meeting through Laptops for better experience.

c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

e) For ease of conduct, members who would like to ask questions may send their questions in advance at least (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at investor.agl@adani.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

f) Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanigas.com within forty eight hours of the passing of the Resolutions at the 15th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

Contact Details:

Company	Adani Gas Limited Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India CIN: L40100GJ2005PLC046553 E-mail IDs: investor.agl@adani.com
Registrar and Transfer Agent	Link Intime India Private Limited C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083 Tel No.: +91 22 4918 6270
e-Voting Agency	National Securities Depository Limited E-mail ID: evoting@nsdl.co.in Phone : +91 22 2499 4890
Scrutinizer	CS Ravi Kapoor Practising Company Secretary E-mail ID: ravi@ravics.com

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

For Item No. 5:

The Board of Directors by way of Circular Resolution passed on 14th January 2020 appointed Mr. Alexis Thelemaque as an Additional Director (Non-Executive, Non-Independent) of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. Alexis Thelemaque as a Director.

Mr. Alexis Thelemaque is graduate in Business Administration and Marketing. He has 28 years of experience in the energy industry. He has experience in working in different parts of the world. He started his career in Kenya in the lubricants and special fluids business in 1991. He joined Total Group in France in 1993 and held various diversified portfolios including operational and management positions in retail, B2B activities and corporate communications within the Total Group France.

Brief resume and other details of Mr. Alexis Thelemaque are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the said resolution for your approval.

Mr. Alexis Thelemaque is deemed to be interested in the said resolution as it relates to his appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

For Item No. 6:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. N D Birla & Co., Practising Cost Accountants as the cost auditors of the Company to conduct the audit of the cost records for maintaining Petroleum Product of the Company for the financial year 2020-21, at a fee of INR 1,25,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the FY 2020-21.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative is, in anyway, concerned or interested in the above resolution.

For Item No. 7:

The present Registered Office of the Company's is located at "Adani House", Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, which is within the local limits of Ahmedabad. The Company has set up new office premises in the name of "Adani Corporate House" which is situated at Shantigram, Near Vaishnodevi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421. The following are some of the advantages for shifting of registered office of the Company to the new address -

- The Adani Group has built its own new multi-storied and spacious office building for integration of operations of all group companies at one central office place.
- Synergy of operations leading to administrative convenience.
- Single point of contact for all the stakeholders of the Adani Group of Companies and its subsidiaries/ associates etc.

- To avoid multiple office locations and reduce rental and incidental costs for managing offices at different locations.

The proposed registered office falls outside the local limits of Ahmedabad city and pursuant to the provisions of section 12(5) of the Act, shifting of registered office to the new address as mentioned in the Special Resolution, outside the local limits of the city, requires approval of the members by way of a Special Resolution.

The Board of Directors recommends the above resolution for your approval.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

For and on behalf of the Board

Date : 27th May, 2020
Place : Ahmedabad

Gunjan Taunk
Company Secretary

Regd. Office: "Adani House",
Near Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009
Gujarat, India.
CIN : L40100GJ2005PLC046553

Annexure to Notice

Details of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2020	Name of committees in which he holds membership/ chairmanship as on 31.03.2020

Mr. Gautam S. Adani	57 years 24.06.1962 (1 Equity Share)#	S.Y. B. Com	Mr Gautam Adani, the Chairman and Founder of the Adani Group, has more than 35 plus years of business experience. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals.
			
			Mr Adani's success story is extraordinary in many ways. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones but also resulted in creation of a robust business model which is contributing towards building sound infrastructure in India.
				• Adani Enterprises Limited^^
				• Adani Ports and Special Economic Zone Limited^^
				• Adani Power Limited^^
				• Adani Transmission Limited^^
				• Adani Green Energy Limited^^
				• Adani Gas Limited^^
				• Adani Institute for Education and Research [Section 8 Company]
					• Adani Enterprises Limited^^
					  ○ Nomination & Remuneration Committee (Member)
					• Adani Power Limited^^
					  ○ Nomination & Remuneration Committee (Member)

Mr. Alexis Thelemaque	51 years 07.09.1968 (Nil)	Graduate in Business Administration and Marketing	Alexis Thelemaque is graduate in Business Administration and Marketing. He has 28 years of experience in the energy industry. He has experience in working in different part of the world. He started his career in Kenya in the lubricants and special fluids business in 1991. He joined TOTAL Group in France in 1993 and held various diversified portfolios including operational and management positions in retail, B2B activities and corporate communications within the TOTAL Group France.	• Adani Gas Limited^^
				• TOTAL Oil India Private Limited
				• South Asia LPG Company Private Limited
				• TOTAL Adani Fuels Marketing Private Limited
				• Premier LP Gas Limited (Bangladesh)
					• Adani Gas Limited^^
					  ○ Risk Management Committee (Member)
					  ○ Corporate Social Responsibility Committee (Member)
					  ○ Stakeholders' Relationship Committee (Member)
					  ○ Nomination & Remuneration Committee (Member)
					• South Asia LPG Company Private Limited
					  ○ Audit Committee (Member)

#Individual Capacity ^^Listed Companies.

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report.

Notes

Disclaimer

This Report may contain certain forwardlooking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro-economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approval from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation.

Adani Gas Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Adani Gas Limited

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Shantigram, S G Highway,
Ahmedabad 382 421,
Gujarat, India

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